COMMERCE AMERICA

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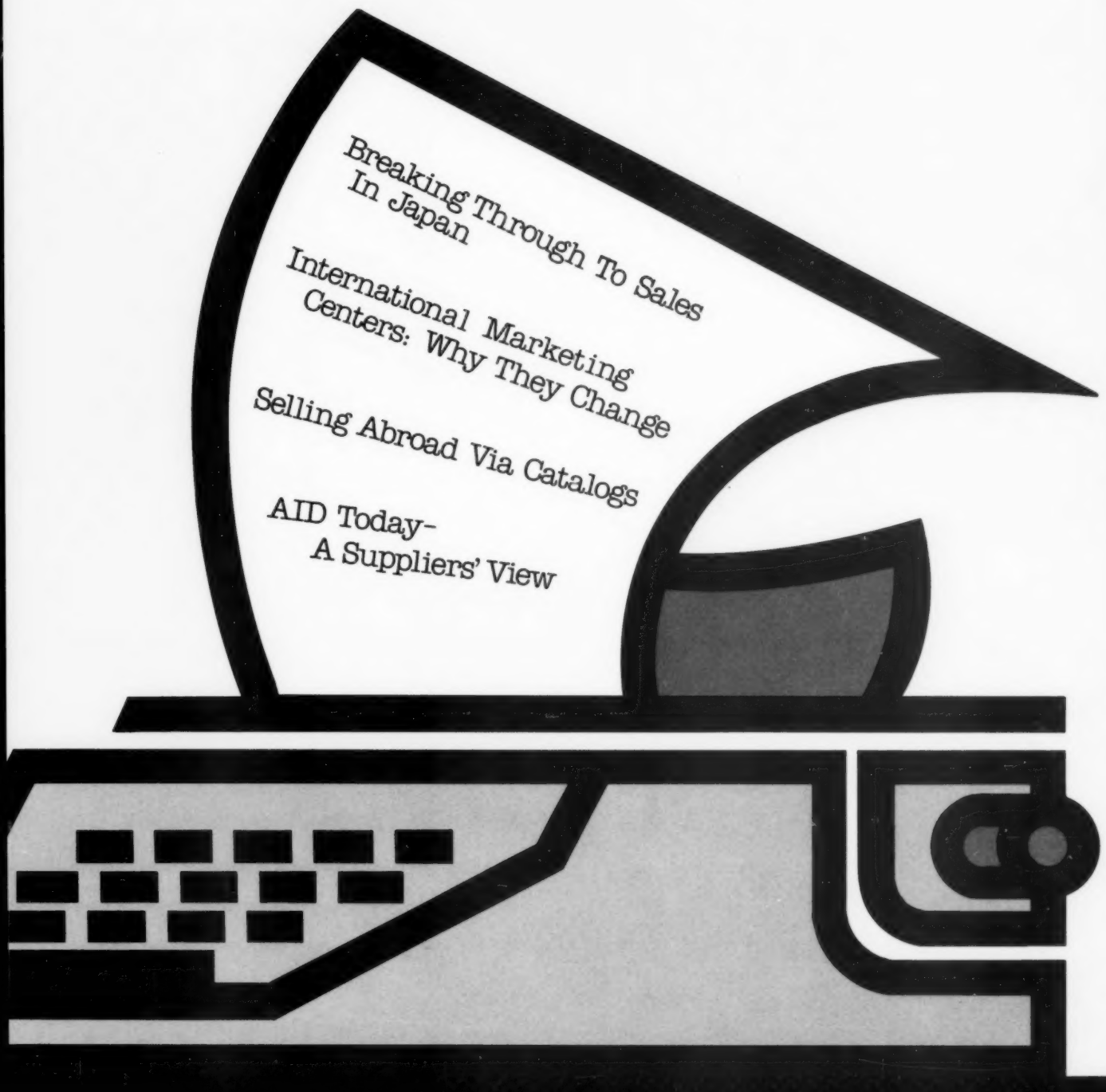
Breaking Through To Sales In Japan
International Marketing Centers: Why They Change
Selling Abroad Via Catalogs
AID Today- A Suppliers' View

Small Exporters Can Benefit From Programs Of Eximbank

The U.S. Export-Import Bank operates a variety of programs that lend themselves to ready use by small businesses desiring to expand sales to buyers outside the United States. Each of Eximbank's many programs is available for use by any American exporter, regardless of size. However, the programs outlined below have proven to be of particular interest to small business.

The **Export Credit Insurance Program**, which insures exporters against political and commercial risks of loss, is the most important Eximbank program benefiting small businesses. This program is operated in cooperation with the Foreign Credit Insurance Association (FCIA), an association of more than 50 private U.S. insurance companies. Any exporter can apply for export credit insurance from Eximbank/FCIA through either his local insurance broker or any one of the nine FCIA regional offices around the United States.

An extremely wide range of products has been covered by insurance policies including, for example, auto parts, fabrics, livestock, metals and electronic instruments as well as heavy machinery and construction equipment.

In addition, small exporters have access to FCIA's Prequalification Program which can provide quick, reliable credit information on foreign buyers with which FCIA has had previous experience and thereby further speed up the export sale. A telephone call from the exporter to FCIA will tell him if a particular buyer is prequalified.

Eximbank and FCIA have introduced a new short-term (1-180 day) export credit insurance policy to meet more adequately the particular requirements of smaller, less-experienced exporters. Under the new policy, a substantially greater share of the commercial and political risks are assumed by EXIM. This new small business policy frees the exporter from the "first loss" risk provisions that are found in other FCIA policies.

Without export credit insurance, many small manufacturers and their representatives would not be able to sell abroad.

The **Cooperative Financing Facility** is specially designed to make it as fast and easy as possible for foreign buyers to finance smaller purchases of U.S. goods. Under a guaranteed line of credit between Eximbank and the foreign buyer's local bank, Eximbank agrees to provide up to half of the financed portion of an export with the balance of the money coming from the cooperating bank or some other source of private funds. A foreign buyer goes directly to his local bank to secure a loan to aid in financing his purchases of U.S. goods and services and has to deal only with that institution.

The **Commercial Bank Exporter Guarantee** program may also be of particular help to the smaller exporter. Export sales are facilitated through Eximbank's guarantee of medium-term loans made by U.S. commercial banks to American exporters. The exporter's bank applies directly to Eximbank for a guarantee that the foreign buyer will repay the obligation.

Under the **Discount Loan** program, Eximbank agrees to buy eligible export debt obligations from commercial banks. With this assurance, which the commercial bank can use as necessary, Eximbank is able to encourage more banks—particularly small banks—to offer fixed rate financing and to become more active in financing U.S. exports in the medium-term area.

In addition to these individual financing programs, Eximbank aids small business exporters by conducting seminars around the United States which inform them about various aspects of foreign trade. Eximbank also has an in-house training program which is available to small businesses. This program includes group briefings and one-on-one discussions relating to the finer points of particular programs.

For further information, contact: Office of Public Affairs, Export-Import Bank of the United States, 811 Vermont Avenue, NW., Washington, D.C. 20571; tel. 202-566-8990.

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IMC Why A New Name Is Significant

Peering at the new nameplate "U.S. International Marketing Center" that is going up in place of the familiar "U.S. Trade Center" designation in cities like Cologne, Singapore and Sydney; American traders are asking whether the change has practical significance for them or is merely cosmetic.

"It's a good question that deserves a straight answer. The change should be explained and understood because it represents not just another name but an important shift in our services," responds Richard Garnitz, who directs the worldwide exhibition and marketing program of the Commerce Department that includes the centers.

"Perhaps the best way to illustrate the change is to say that in the Trade Center program we brought together U.S. exporters and their potential foreign customers under our own roof, whereas under the International Marketing Center concept we are going out with our client U.S. firms to where the customers traditionally gather—for example, at the recognized commercial fairs."

"We are going out with our clients to where the customers traditionally gather—at recognized trade fairs."

Garnitz and his colleagues in Commerce's Industry and Trade Administration believe that their move is a timely adaptation to several changes in the international marketing scene. First, the greater sophistication and increase in commercial fairs in some countries now provides sufficient vehicles to cover the marketing opportunities that exist. Then, too, new markets have developed in so many countries that the U.S. would have to double or triple the number of trade centers it presently operates to service them all (the trade center having essentially a one-country focus). Thus emerged the idea for a smaller, permanent International Marketing Center (IMC) to cover a group of countries.

The IMC sponsors U.S. pavilions at trade fairs being held in its marketing area. Experienced IMC personnel design and build display booths to meet exhibitors' needs, and conduct a pre-show promotion campaign which includes an extensive direct mail program and personal visits to many key buyers, end-users and potential representatives, to persuade them to visit the U.S. exhibition. Prospect lists are compiled to assure that every potential customer is identified and reached. The IMC staff is present throughout to help exhibitors locate interpreters, secretarial support, etc., and to work with the fair authorities on particular problems. These techniques are familiar to clients who previously used U.S. Trade Centers.

In cases where Commerce-commissioned market research identifies a promising market opportunity, but where no suitable trade fair exists, the IMC will sponsor an exhibition open exclusively to U.S. manufacturers and their agents. These promotions, called "solos," offer the same services as U.S. pavilions at international trade fairs.

At the permanent IMC facility, small, specialized exhibitions can be staged to capitalize on opportunities too narrow to warrant a "solo" exhibition. IMC facilities are also made available to trade associations and other groups to organize exhibitions of their own. Individual American firms or their agents may also put on promotions. At these Business-Sponsored Promotions (BSPs), the IMC staff assists the private sponsor in designing and building the displays and the Center's market promotion contractor can be hired.

IMCs are also suitable locales for sales meetings, conferences and seminars. Another service feature is the "Product Marketing Service" (PMS), designed to provide U.S. businesses "an office away from the office." It offers space for up to five days at a small fee per-day, free local phone service and access to telecommunications; audio-visual equipment; a market briefing; a list of key business prospects; assistance in making appointments, and in obtaining secretarial and interpreter service (at the U.S. company's expense). Arrangements for the PMS can be made by contacting Commerce District Offices in the U.S.

Due to the prevalence of highly specialized international fairs covering just about every industry

sector, Germany was selected as the first location for an IMC. The U.S. Trade Center in Frankfurt was closed, and a U.S. International Marketing Center was established in Cologne in January 1977. Through participation in major fairs in the surrounding region, this IMC has been able to extend to American exporters opportunities to build up their export potential in a manner not possible under the trade center concept, which functioned under constraints of size and location.

Ed Heiser, Director of the Cologne IMC, points out that the main difference and subsequent advantage of the IMC as opposed to a Trade Center is the exposure the U.S. exporter's product receives. "You're talking about 50-60,000 in attendance at an international trade fair as against 1,000-1,500 at one of our trade center shows. This also means that you are reaching a second level of buyers—business firms not previously screened by our available lists, etc. These are future customers who are not ready to make a purchase and have not been contacted through our promotional campaign, but perhaps may have come to view products originating in another country. The convenient proximity of like items gives him a chance to compare products and, in many cases, due to favorable quality, price, or service features, he may switch to the U.S. item."

In addition, the broader "Repfind" service (assistance provided to new-to-market firms in which IMC personnel identify and visit potential local representatives and arrange appointments between them and interested U.S. exhibiting firms at the display site) which covers two to three additional countries in the region has resulted in a number of agency agreements concluded outside Germany during every international fair in which the IMC has participated since its conversion. This is especially beneficial to the small- to medium-size firms in terms of reaching a larger market with limited expense.

Commerce's decision on a conversion to additional IMC facilities grew out of the success of the centers now in operation. Encouraging comments have been received from U.S. business firms which have participated in international fairs and solo exhibitions sponsored by the previously established IMCs.

Robert T. Jones, Director of International Operations for Able Computer Technology of Santa Ana, California, exhibited at the U.S. Pavilion at Systems '77 put on by the Cologne IMC in Munich, Germany. He commented, "The best organized exhibit I've ever experienced. Contacts made there were especially effective in locating new reps." As a new-to-export/new-to-market medium-size firm, he found the exhibit "extremely effective." "We sold everything we brought," he summed up.

At Dinamika '77, Djakarta, Indonesia, a "solo" sponsored by the Singapore IMC, Sharad A. Mehta, General Manager of Dalton Cooper, Inc. of New York commented, "We believe that the idea of holding such shows—concentrating on certain segments of industry—is good and ought to be pursued to encourage and help U.S. exporters, especially smaller firms such as ours."

Most recently, a small, new-to-market firm, Vita-Saver, Inc. of Burbank, California, participated in Housewares '78 sponsored by the Cologne IMC this past February. Stanley King, Vice President, said Vita-Saver penetrated eight new countries through this event.

Commerce's upcoming promotions schedule further demonstrates the wide regional coverage of an IMC. The new Paris IMC, for example, will be sponsoring the U.S. Pavilion at "Aquatech" (Water Treatment/Pollution Control) in the Netherlands in September 1978. Another addition to the IMC family, Milan, will be putting on the U.S. Pavilion at NUCLEX (Nuclear Power Equipment and Instruments) in Basel in October. The Singapore IMC will sponsor a "solo" exhibition, Agribusiness (Agricultural and Machinery Equipment/Food Processing and Packaging), in Bangkok, Thailand, in February 1979.

In addition to the conversion of the Frankfurt, Singapore and Sydney Trade Centers, in October 1978 the Paris and Milan Trade Centers will be reopened at their present locations as IMCs and the London Trade Center will follow later.

"Commerce will continue to maintain Trade Centers in Mexico City, Sao Paulo, Taipei, Tehran and Tokyo where there still remains the need for this type of trade promotion facility," Richard Garnitz explained. "In these instances, there are usually very few potential international markets in the surrounding countries which require the outreach concept of the IMC. Additionally, the larger exhibition area that a Trade Center provides is still necessary in the good market countries where there are negligible international fair facilities."

Commerce will continue to operate Trade Centers where the need remains for them.

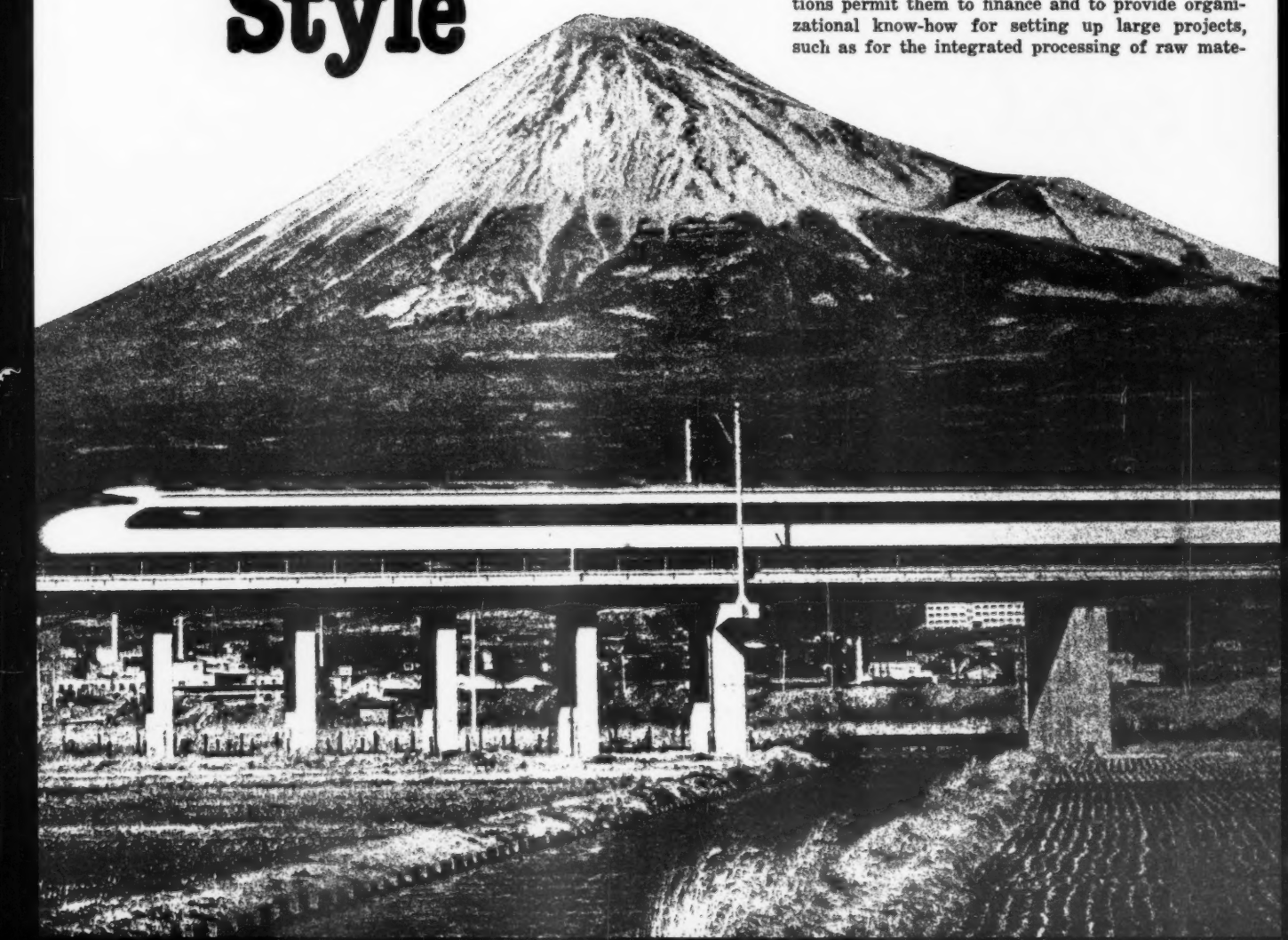
IMCs IN ACTION—These scenes are from U.S. exhibitions staged by International Marketing Center staffs. Dinamika '77 was a "solo" exhibition in Djakarta, Indonesia, organized by the IMC in Singapore. The other photo shows action at a booth in the American Pavilion in the International Housewares Fair in Cologne. The pavilion was operated from the IMC in Cologne.

Doing Business JAPANESE Style

The opportunity for the U.S. to penetrate the vast but often baffling Japanese import market is apparent in a newly-issued survey. Under the direction of Commerce Department's Industry & Trade Administration, the Tokyo-based A. T. Kearney International company and its Japanese affiliate Sumitomo Business Consulting Co. performed market research and business-government interviews in recent months to produce the 427-page "U.S. Export Opportunities to Japan." The book contains overviews of the general Japanese economic scene and specific marketing guides to 14 major import sectors. (*See ad on back cover of this magazine for ordering details.*) The following sampler has been excerpted from a chapter on market characteristics.

Zaibatsu. The great financial/industrial aggregates including Mitsui, Mitsubishi, Sumitomo and Yasuda, "the zaibatsu," played an important role in the modernization of Japan following the Meiji Restoration in 1868. A century later, the combines continue to play a vital role in the Japanese economy. They have capitalized on their ability to attain economies of scale in transportation, warehousing, and other aspects of physical distribution and marketing of imports and exports.

Through width of product line, pooling of business risk, and enormous turnover, they are able to mobilize funds for trade financing in a highly effective manner. The broad scope and size of their operations permit them to finance and to provide organizational know-how for setting up large projects, such as for the integrated processing of raw mate-



rials and the efficient reorganization of channels for processing, distribution, and final sales. They have had the financial and organizational resources to develop overseas sources of supply for vital raw materials, and to invest in production facilities offshore and in joint ventures with foreign firms in Japan. Their large resources and control over sources of raw material, supply, and distribution channels for finished goods, often place them in a position to finance capital equipment purchases, as well as guarantee a reliable source of raw materials in return for handling product distribution. These capabilities often lead the trading firms to participation in large-scale backer deals, such as the arrangement with the People's Republic of China exchanging steel and plants for coal and oil signed in early 1978.

Fixed labor costs. Employment policies of Japanese firms influence their business behavior in other ways. With labor costs essentially fixed, Japanese management has to emphasize sales to accommodate changing business conditions. U.S. corporate management, obligated to its stockholders to maintain profits, trims employment by layoffs during recessionary periods. In contrast, management in the larger Japanese firms does not have this option; the Japanese firms must absorb continuing fixed costs out of profits. Management turns to increased sales, particularly in foreign markets, and often at reduced prices, to tide the firm over during such periods. Some of the slack in the economy also is absorbed by the secondary tier of smaller, and financially weaker firms, which act as the subcontractors and suppliers of the large manufacturers, and whose obligations to their employees are less fixed. The number of bankruptcies of small- and middle-sized firms increases substantially during periods of economic slowdown. At the same time, the larger firms have strong ties and commitments to their suppliers and subcontractors for continued orders to tide them over under such circumstances.

Ringi. Formal decisionmaking in large Japanese firms follows a prescribed process, the "ringi" system. In contrast to the American approach, policy decisions generally do not come from the top downward in a major Japanese company. Under the "ringi" system proposals are generated by subordinates and informally discussed through a series of caucuses until the necessary compromises are reached and a consensus is developed. When the proposal is brought before management, it already has the general agreement of the chain of command, and the formal deliberation and decisionmaking forum may serve primarily to ratify the proposal. In a formal policy decision under the "ringi" system, the originator of a proposal forwards a written "Request for Decision" (Ringisho) up the chain of command, and executives at each level affix their personal seals to the document signifying concurrence. Good management in this kind of system is one that delegates authority and stimulates its subordinates to be creative, while maintaining the ability to guide and influence the caucus process to achieve a desired consensus.

The decentralization of decisionmaking within Japanese firms also has implications for marketing. Simply approaching the top echelon of management may not be sufficient to assure the establishment of a business relationship. Selected members of middle management must also be cultivated; the function of salesmanship is to influence the development of a consensus among the key decisionmakers within the organization. Through such contacts, the effective sales representative may be able to identify factions or opposition within the potential customer's organization and design his approach to presenting the proposal so as to enhance its acceptability.

Debt-equity. Another characteristic of Japanese business practices is the high debt-equity ratio which most Japanese firms maintain. Japanese firms are highly leveraged and tend to finance investment through bank debt rather than stocks and debentures. For example, of the slightly over $66 billion total 1975 net increase in supply of industrial funds for operating capital and capital equipment investment, only 13.4 percent was from stocks and industrial debentures, while 86.6 percent was from loans and discounts, of which 86.4 percent came from private financial institutions.

The large industrial and trading combines all have affiliated banks. Banks can hold up to 10 percent equity in companies, and often do have partial ownership of firms within their business group. In turn, Japanese firms look to their bankers for financial and other management guidance. Although banks do not normally become involved in the day-to-day management of their loan customers, they are likely to be involved in major decisions regarding important new undertakings or management directions, and banks may place some of their own executives in a company which encounters financial difficulties.

Japanese management has to emphasize sales to accommodate changing business conditions.

Ordinary commercial banks provide approximately four-fifths of the short-term funds advanced to businesses in Japan. Under terms of most short-term loans, the borrower maintains time deposits ranging from 20 to 30 percent of the proceeds of the loan, depending upon the firm's credit standing; banks may not formally require compensating balances. Most bank loans are secured either by pledge of customer promissory notes, or by mortgage on fixed assets. Short-term notes are commonly rolled over at maturity. Many businesses turn to supplier's credit as an alternative to bank borrowing. Financing arrangements are common between manufacturers and their smaller subcontractors, and between suppliers and customer companies. Supplier credits are often in the form of non-interest bearing promissory notes; terms of at least 120 days are usual. Wholesalers are a frequent source of such credit. These arrangements assist Japanese firms in overcoming seasonal and other financial difficulties.

Face-to-face. While the Japanese do not expect the foreign businessman to be fully knowledgeable of and to adhere to Japanese business and social practices, a *sensitivity* to them is essential to the establishment and maintenance of sound and successful business relationships. Japanese businessmen place considerable emphasis on face-to-face contact. A personal call on a potential business partner based on an introduction will generally be more effective than an attempt to initiate contact through a letter. The "cold approach" is in general not effective in Japan, and a personal call based on an introduction by an intermediary who possesses significant status should be regarded as an essential prerequisite to establishing business contacts.

MEETING OF MINDS—The U.S. and Japanese points of view were exchanged last spring as members of a Japanese import mission stopped in Chicago. Joe Weix, Jr., of Oconomowoc Canning Co., Oconomowoc, Wis., discussed his products with one of the visitors.

Yes and no. In initial business and social contacts, Japanese are characterized by politeness and formality. They normally do not deal on a first name basis in business relationships. One source of confusion in business communication may come from the Japanese language itself. "Yes," to a Japanese may often just mean, "Yes, I understand what you said," and not necessarily, "Yes, I agree." Japanese prefer to avoid direct confrontations; they do not like to suffer embarrassment or place another party in an embarrassing position, and the oriental concept of "face" is very important. As a result, Japanese are reluctant to say "No," and may prolong negotiations because they do not wish to make a direct turndown. Additionally, the Japanese rely heavily on "nonverbal" communication; they tend to look to nuances, inferences, and signals to infer intent. Thus, while the American negotiator is inclined to assertively outline and press for agreement on his negotiating objectives, the Japanese prefers to probe, feel out the other party, and be relatively certain of the other side's position before putting forward a proposal on which he feels both sides can agree.

Social contacts are an important element in doing business with the Japanese.

Decisions. The group decision process prevalent in Japan may make it impossible for one's initial contact to give a quick answer. The Japanese negotiator in a sense represents a group; until internal agreement has been reached on the matters under negotiation, he is not in a position to make a commitment. Because of this practice, the U.S. businessman planning to initiate business in Japan should not expect an immediate answer, but should anticipate negotiations over an extended period before a final decision is reached. On the other hand, once a decision has been made within a Japanese firm, implementation may be very rapid.

Personal touch. Japanese businessmen place a high priority on personal relationships; social contacts customarily accompany business negotiations. In contrast to the American practice, however, the Japanese businessman will not generally expect to "talk business" in such a context. The American businessman should let his Japanese counterpart set the pace in this respect. The Japanese pattern is to entertain the visiting foreign businessman at dinner at a restaurant and then, perhaps, at a bar or cabaret. The Japanese wife does not accompany her husband in this type of entertaining and plays little or no role in most social events. Entertainment in the home is rare, except for intimate friends.

Business trust. Japanese businessmen emphasize good faith over legal safeguards in business relationships. They have little confidence in detailed contracts which attempt to provide for all possible contingencies. The preference is for broad agreements and mutual understanding. Given the basic mutual commitment to do business, the Japanese conventionally would negotiate each issue arising in implementing the basic agreement on a case-by-case basis, maintaining considerable flexibility and assuming that each party was prepared to make substantial accommodations to the other. Thus, negotiations will generally be comprehensive, and deliberations within the Japanese firm thorough and time consuming; however, once a commitment is made, it is for the long term. Japanese firms prefer long-term, reliable, and exclusive business relationships; they tend to turn to established channels to develop new business initiatives.

The government. Dealing with various government offices is a fact of Japanese business life. This applies to Japanese as well as foreign firms. Careful adherence to form and procedure is important and Japanese businessmen spend considerable effort in thoroughly understanding administrative requirements and procedures, and in cultivating good relations with the offices with which they must deal. One of the important roles which the Japanese representative of a foreign firm plays is to handle the necessary government administrative requirements for the principal. However, the U.S. businessman should thoroughly familiarize himself with the procedures related to the import and sales of his product in Japan, and should not allow himself to be totally dependent upon an agent or local employee.

Direct contact by the U.S. businessman with the relevant Japanese official can be useful, particularly if problems arise. An introduction may be helpful in some cases. It is important to bear in mind that the official concerned may have considerable authority and discretion in disposing of the issue under discussion, and that treating him with due deference and eliciting his understanding is likely to be the most effective approach to a satisfactory resolution.

What's ahead. While some modifications in Japanese management, and business practices may take place, most Western and Japanese observers do not foresee radical changes. Characteristic Japanese approaches to authority, loyalty, and management are likely to continue to influence substantially the way in which business is done. Similar kinds of relationships and loyalties exist within the firm and also between manufacturers and subcontractors, and within the distribution chain between producers, distributors, and users or outlets. For the U.S. firm entering the Japanese market these characteristics must be given strong consideration in establishing and developing business contacts as well as in planning for distribution and marketing.

AID Today—A Suppliers' View

The following summary supplied by the U.S. Agency for International Development (AID) to Commerce America *readers describes how U.S. suppliers can participate in the procurement that follows upon AID loans or grants—and emphasizes the growing position of the developing nations in U.S. international trade.*

The Agency for International Development finances the products and services required under development programs in those countries to which U.S. assistance flows. Assistance provided under AID programs usually is in the form of loans or grants to the governments of developing nations. The governments allocate this foreign exchange among their importers in the public and private sectors to finance the purchase of products and equipment through regular commercial trade channels.

AID does not participate directly in such procurement—AID does virtually no buying itself—nor does AID determine the specific items to be procured; nor does AID select the suppliers. However, AID seeks the maximum possible competition for projects it finances and all qualified suppliers of goods and services are encouraged to participate.

AID loan agreements specify the commodities that can be purchased and countries from which they may be purchased, and establishes conditions such as marking and labeling, price, commission and shipping restrictions. Transactions are directly between suppliers and importers, and although the supplier is paid in U.S. dollars, generally by irrevocable letter of credit, the importer must pay to his government the full equivalent in local currency. AID does not finance any procurement in which boycott or other restrictive trade practices are applied.

AID's Office of Small Business informs U.S. suppliers of trade opportunities under AID-financed programs through publication of information on both public and private sector procurement. Participation in AID-financed procurement is not restricted to small businesses. (Note that the Office of Small Business is part of AID, not of the Small Business Administration.) Publications on procurement are:

► AID Financed Export Opportunities (Small Business Circulars)—procurement data concerning specific proposed purchases; commodities are broken down into 20 groups, enabling suppliers to select commodity groups of interest.

► AID Procurement Information Bulletins—procurement information and notices of trade opportunities of a more general nature than those published in the circulars.

► AID Small Business Memos—trade, policy and procedural information of general value.

These publications can be obtained free by suppliers in the U.S., by writing the Office of Small Business, Agency for International Development, Washington, DC, 20523. They do not contain information concerning AID-financed purchases made by General Services Administration, the Federal Highway Administration, the Department of Defense or Federal Aviation Administration. These agencies must be contacted directly.

AID also publishes importer lists compiled from Commerce's World Trade Directory Reports and from AID's transaction records. These provide names, addresses and information about the importing firms.

When award information on competitive bid procurements becomes available, notice is published in the AID Procurement Information Bulletin. Award information in procurement of equipment and materials financed under AID capital project assistance for professional and technical services is published in *Commerce America's* sister publication *Commerce Business Daily*. When these services are to be sought from an eligible source country, AID publishes notices or requests for proposals in compliance with local laws and practices.

Current emphasis by Congress on foreign assistance to the poorest people has changed the course of U.S. aid programs from "physical infrastructure" projects to "social infrastructure" programs of providing basic human needs and enhancing capacity for self-help.

During the first six months of Fiscal Year 1978 U.S. suppliers provided a total of $218,631,423 in goods and commodities for overseas programs. In Fiscal Year 1977 AID commodity expenditures were $771,132,000, 98 percent of which was in the U.S.

In Fiscal Year 1977 AID commodity expenditures amounted to $771,132,000, 98 percent of which was in the U.S.

In that period a wide range of commodities was procured. Raw materials and semifinished products consisted of chemicals, pulp and paper products, iron and steel mill products, fabricated basic textiles, nonferrous metals and alloys, wood and lumber, leather and hides as well as machinery and transportation equipment: aircraft, motor vehicles and rail equipment; fertilizers and feeds. Also included were poles, lines and electrical transmission hardware, and professional and scientific instruments.

Meanwhile AID officials remind U.S. suppliers and producers that they can profit by taking a closer look at the enormous market potential of the Third World of developing nations.

Between 1972 and 1976 the United States exported more to the less developed countries than it imported, to illustrate the trend. U.S. exports to non-oil developing nations increased by 54 percent between 1962 and 1969, but they almost tripled from 1969 to 1976.

AID program managers around the world can confirm that the developing nations need U.S. goods and are prepared to buy them. As these countries continue to move toward their industrial and technological goals they will provide constantly expanding markets for a myriad of U.S. products.

CATALOG SHOWS IN BELGIUM, VENEZUELA—*During the Batibouw '78 construction equipment fair in Brussels, the Commerce Department displayed catalogs from 91 U.S. firms; photo shows U.S. Embassy officials assisting representatives of the Belgian construction industry in locating American products described in these catalogs. In photo at right, some visitors examine pollution control equipment catalogs during exhibition in Caracas, while others observe a video product display.*

EUROPEAN OBSERVER SAYS CATALOG SHOW CAN BE USEFUL PROMOTION TOOL

In recent years European business executives have grown aware of a distinctive American trade technique—the so-called catalog show. This type of display, composed of from 100 to 200 catalogs from an equal number of firms, is set up at international trade fairs, at headquarters of chambers of commerce or trade associations or displayed within embassies or consulates or even in hotels and other public places.

By far the most important site for a catalog display is the technical fair, according to Edward E. Keller, Commercial Attache at the U.S. Embassy in Brussels, who shows how this trade promotion technique can be a useful instrument in a sophisticated and developed market such as the Benelux countries.

In Europe, the fair or the more specialized trade show has always been a prime method for trade promotion. Since the Middle Ages, fairs in Western Europe have been the most active centers for commercial exchange. The fairs in Burgundy and in Flanders helped to bring spices, precious objects, cloth and furs coming from the East to the people of those days. Fairs then were already prime instruments of international trade. In the twentieth century when distances have been slashed and fairs have multiplied to such an extent that Western Europe boasts more than 20 major exhibition sites, fairs are even more active leaders of local and international commerce. The economic recovery of West Germany at the end of the last war is considered partly due to the brilliant and efficient influence of the large fairs that are held regularly on its territory.

In the present troubled economic climate during which many industries are in the doldrums, these fairs remain important catalysts for exchange by generating a mass of contacts throughout the many hours of work involved in participating in a fair. Even in a world where speed and technical innovation have improved communications, the fair remains a tool enabling a maximum of contacts to be made in a minimum of time at a minimum of cost.

It is in appreciation of the importance of trade fairs that the Embassy in Brussels and the Consulate General in Antwerp, in cooperation with the Department of Commerce, have attempted to participate in the more important Belgian technical trade shows. In Belgium alone, there are probably 50 trade fairs held annually. Most of these concentrate in and around Brussels at two important sites. One, located to the north of the city at Heysel on the site of the 1958 world's fair, has in its 11 pavilions some 50,000 square meters of exhibition space, an area larger than any equivalent exhibition site in the United States. The second principal exhibition site is in the heart of Brussels at the *Centre Rogier International.* This is a seven-story building with a large exhibition hall on each floor. All other cities in Belgium have some exhibition facilities, and some cities such as Ghent and Liege actively compete with Brussels.

With such an enormous number of shows it is impossible to have an American presence everywhere. One or two years before a fair is held, Embassy officers review market possibilities and attempt to match these with important trade shows. Once the decision is made to participate in a show by means of a catalog collection, the Embassy reserves space at the earliest opportunity. This guarantees a good location.

In some instances, a particular exhibition might be judged to have special public interest and be given preferred treatment. For example, in the case of Interelectronic (an exhibition put on by Belgian importers of electronic components and electronic apparatus), the organizer agreed to place the U.S. catalog exhibition in the entry hall and graciously provided the U.S. exhibition free space. In most instances, however, the U.S. exhibit is treated as any other commercial exhibit.

U.S. Foreign Service posts in Belgium recently have held a number of catalog shows on varying subjects. Some examples are: Industrial Equipment Show (May 28-June 1); Instruments and Related Equipment (March 13-16), held at the Ghent Chamber of Commerce and at the Metalworking Industries Trade Federation in

How, Where To Apply

The Commerce Department has scheduled U.S. catalog exhibitions—covering about 10 product areas—at Foreign Service posts or international trade fairs in a total of 16 cities through the remainder of this year (see *U.S. Promotions Abroad* calendar, this issue, pp. 25-28), and U.S. firms are invited to participate. A charge ranging from $50 to $130 is required to help offset the operational and promotional costs of each exhibition. Applications to participate should be made two to four months before a specific show's opening date, to allow ample time for shipment of catalogs. For additional information, or to apply, contact Bradley Tyrrell, Room 6051, U.S. Department of Commerce, Washington, D.C. 20230, telephone 202-377-3973; or any Commerce District Office.

Brussels; Batibouw (building equipment and materials), Feb. 17-26; Interelectronic (electronic industry production and testing equipment), Nov. 28-Dec. 3, 1977; Medical and Hospital Equipment (Oct. 20-27, 1977); and Housewares and Hardware Show (Oct. 2-5, 1977).

The Medical and Hospital Equipment Catalog Show, held at the *Centre Rogier International*, is a typical example of the type of exhibition which appears to work quite well in the Benelux countries. It filled six floors of the exhibition hall and attracted about 40,000 visitors, of whom 90 percent were Belgian and the remainder from Netherlands, France, West Germany and Switzerland. The show was open only to the trade, and 90 percent of the visitors were either wholesalers, manufacturers, dealers or hospital officials. The remaining 10 percent were students of medicine and nurses. For the American stand, the U.S. Department of Commerce recruited 133 firms, 86 of which were new to the Belgian market. The Embassy arranged for construction of a small, 24 square-meter stand, which was well lighted and boldly colored with blue walls, red flooring and white furniture. Special catalog racks were built by the Embassy and the catalog collection was effectively displayed. These catalogs were separated according to certain categories to make it easier for the visitor to concentrate on particular areas of interest. A detailed brochure included a listing by categories of firms (with each company numbered for quick identity) and then a listing in alphabetical order of the American firms represented, giving their full addresses and telephone numbers. Embassy personnel who manned the U.S. stand gave each visitor a copy of this brochure and a check list printed either in English, French or Dutch. The visitors were then encouraged to fill out this form to indicate which catalogs were of interest. During the show, 140 individuals representing as many companies took the trouble to fill out this form. The U.S. stand gave out information to about four times this number, perhaps 600 visitors.

Of greatest interest to those American companies that send their catalogs to the Embassy for display is the letter sent out immediately after the closing of a show. These letters to the exhibiting firm give the names and addresses of those foreign companies that express an interest in its products. For the Medical and Hospital Equipment Show, 125 American companies received some specific trade inquiries and only eight obtained no leads. For each of those eight firms, the Embassy forwarded a list of all who had registered at the stand, even if they had not expressed a specific interest in that company's products. Each firm contributing catalogs averaged inquiries from four Belgian or other European companies. A certain limited number received more than 10 inquiries. The visitors to the U.S. booth were invariably serious professionals, chiefly sales managers, looking for specific products to fill out their lines. The grouping of catalogs by product category—on the shelves and in the index to the catalogs—assisted these visitors in finding the particular products they were seeking.

Strengths and limitations

The catalog show as a trade promotion instrument has its strengths and weaknesses. It is a very inexpensive way for a small or new-to-market company to obtain some initial leads. By following up on these leads by correspondence and then subsequently sending a sales representative to Belgium, the company has a useful introduction in attempting to develop the market. The catalog show is obviously much less effective than a product show in which the American firm can show off its wares. While many times more costly, the product display is likely to have greater success in attracting representation or in making potential sales. Moreover, some trade inquiries are not serious and may come from Belgian firms seeking information from their real or potential competition.

The presence of an industry technical representative (often from the appropriate U.S. trade association) is a definite asset in that, in addition to assisting at the U.S. stand, the representative is frequently asked to give a technical talk to the trade on the industry in the United States. The catalog show is therefore not a sterile display of literature but rather a forum for discussion of the latest U.S. techniques. Furthermore, by the end of a show, Embassy officials will have had contact with virtually the entire industry in that product category in Belgium. This enables them to work intelligently in promoting U.S. exports in that field.

NEW FIGURES ON DIRECT INVESTMENT: $150 BILLION OUTWARD, $34 BILLION HERE

The U.S. direct investment position abroad increased by 9 percent last year to $148.8 billion, while the corresponding position of foreign investors in the U.S. went up by 11 percent to $34 billion.

In presenting the figures, Commerce Department's Bureau of Economic Analysis defined the term direct investment position as the net book value of investors' equity in, and outstanding loans to, foreign affiliates.

With regard to the U.S. position abroad, equity and intercompany account outflows to foreign affiliates increased 25 percent in 1977, to $4.9 billion. Had it not been for two unusual developments—exceptionally large outflows from a U.S. petroleum company in 1977 and large inflows reflecting liquidations in 1976 that were not repeated in 1977—there would have been a moderate decline in equity and intercompany account outflows. Outflows to manufacturing affiliates declined for the third year in a row, reaching the lowest level since 1963. Increases in outflows to petroleum and "other" affiliates more than offset the decline. By area, outflows to developed countries declined and those to developing countries increased. There were net inflows from Canada, the first in over 30 years.

Reinvested earnings of incorporated affiliates declined 5 percent, to $7.3 billion; affiliates in manufacturing had the largest decline. The decline occurred because earnings of incorporated foreign affiliates increased less than gross dividends.

Income—the return on the direct investment position — increased 4 percent, to $19.9 billion. The increase was dominated by affiliates in the United Kingdom. Fees and royalties received from foreign affiliates were $3.8 billion, up 7 percent.

Inward investment

Turning to inward direct investment, the yearend 1977 figures show that the $3.3 billion increase in the position consisted of equity and intercompany account inflows of $1.8 billion, reinvested earnings of incorporated affiliates of $1.6 billion, and a small negative valuation adjustment.

The increase in the position was larger in 1977 than in 1976, even though equity and intercompany account inflows and reinvested earnings of incorporated affiliates declined. These declines were more than offset by a $1.2 billion reduction in negative valuation adjustments.

Equity and intercompany account inflows declined $0.9 billion, following a $1.3 billion increase in 1976. Inflows to pur-

chase capital stock in incorporated affiliates declined to $1.1 billion, from $1.4 billion in 1976; inflows on intercompany accounts declined to $0.8 billion, from $1.1 billion. There was a shift to small outflows for unincorporated affiliates in 1977, from inflows of $0.3 billion in 1976.

Reinvested earnings of incorporated affiliates declined $0.1 billion, compared with a $0.5 billion increase in 1976. The largest declines were in manufacturing and insurance. In manufacturing, earnings declined and dividends increased; the proportion of earnings reinvested fell from .70 to .49. In insurance, the decline primarily resulted from a decline in earnings.

Income—the return on the position—was $2.8 billion in 1977, a decline of $0.2 billion. Income in all major industries, except petroleum and trade, declined. Income of trade affiliates increased from $0.4 billion to $0.7 billion in 1977. The rate of return on the position declined from 10.6 percent to 8.7 percent. The decline reflected the slowing of the U.S. economic recovery, and the impact of the depressed U.S. stock market on earnings of unincorporated U.S. insurance affiliates.

Multilateral Trade Negotiations

This article is another in a series of progress reports on the Multilateral Trade Negotiations, prepared by the Commerce Department's Office of International Trade Policy.

GENEVA

One important result reached by the mid-July milestone point of the Multilateral Trade Negotiations was the development of an "Outline of an Arrangement" for the new international rules on subsidies and countervailing measures. Winning important support, the new outline is viewed as a significant breakthrough toward an international agreement in this area of the trade talks.

Conceptual differences between the United States (which seeks discipline over trade-distorting subsidies) and its trading partners (who want the U.S. to impose countervailing duties only after subsidies cause or threaten injury) had long inhibited progress in the negotiations.

A series of intensive meetings among representatives of the United States, Japan, Canada, the EEC and the Nordic countries led to the drafting of the new outline. While the participating delegations have made no final commitment to all or any part of the new text, it is hoped that the document will lead to an international code which will satisfy both the U.S. Congress and American industry, while proving acceptable to those foreign governments that feel subsidies are important instruments of national economic policy.

Improved subsidy controls

The thrust of the United States in the negotiations which led to the draft outline was toward the development and international acceptance of improved rules built upon those already contained in the General Agreement on Tariffs and Trade (GATT). Existing anti-subsidy rules are judged ineffectual both because they deal almost exclusively with traditional export subsidies and because the most important limitations are recognized by only 16 developed countries. Subsidies, other than export subsidies, such as regional aids, are neglected almost entirely.

The draft outline emphasizes the effects of subsidization rather than the types of subsidies and seeks wider adherence to the new rules. Acceptance of the new rules would oblige signatory countries to limit those subsidies most likely to result in significant distortions in international trade.

Recognizing that the effective functioning of the new rules will depend in large part on reliable surveillance and dispute settlement provisions, the draft outline devotes considerable attention to improving the existing GATT mechanisms. Signatories to the agreement would be required to provide detailed notifications to others of both subsidies granted and countervailing measures contemplated. Mandatory consultations with interested parties would precede dispute settlement proceedings in cases of international disagreement.

Countervailing measures

Except in cases involving subsidized imports of duty-free merchandise, current U.S. law does not require a finding of injury to a domestic industry prior to the imposition of countervailing duties to offset the effects of a subsidy. The lack of an injury test in the U.S. countervail statute has been an irritant in our trade with other countries for many years.

In exchange for the sort of subsidy discipline outlined above, the United States has said that it would modify its longstanding practice through the adoption of an injury standard. Provisional measures would be allowed pending an injury determination.

This is the first track of countervailing under the proposed code and it is essentially the traditional method of dealing with trade-distorting subsidies through the use of countervailing duties. An important addition is the allowance for provisional measures.

The second track would be based on the contractual obligations of signatories to the agreement. The assumption here is that the acceptance of limitations on the use of subsidies confers tangible benefits on all participants in the arrangement because these limitations are designed to avoid adverse effects on the interests of others. A violation of the agreement by one party, e.g., the granting of a prohibited subsidy, would impair the benefits of the agreement accruing to other signatories. Under this track, procedures for taking offsetting actions against the prohibited subsidy would be available to affected parties.

While both tracks have advantages, a major benefit to the innovative second track is its applicability to problem situations arising in third-country markets or the market of the subsidizing country. Traditional countervailing duties would remain an effective remedy, but they are only applicable to instances of subsidized imports into one's own market.

Future work program

Much remains to be done before an agreement on subsidies/countervail can be brought home for the approval of the Congress and there are numerous outstanding issues which will require difficult political resolutions. Nonetheless, the tabling of the "Outline of an Arrangement" is a sign that future discussions which will begin again this fall are likely to be fruitful now that the basic outline of a code has been delineated.

GATT Reform

The Framework Group, a late starter in the Multilateral Trade Negotiations (MTN) in Geneva, achieved surprising progress toward reaching agreements during the intensive July negotiations. Subjects under discussion in the Framework Group are dispute settlement, a legal provision for special treatment for developing countries, balance of payments, infant industries and export controls. Agreements in these areas will result in improved discipline and procedures in the rules governing the conduct of international trade. Their status is outlined below.

Dispute Settlement. The United States initiated discussions aimed at the improvement of current GATT (General Agreement on Tariffs and Trade) procedures on settling disagreements among members. Under current provisions, resolution of trade problems can be delayed for months, if not years. Recently, the skepticism of many nations about tampering with the current system has changed to support for the U.S. reform proposals. These pro-

posals include notification of and consultation on trade actions undertaken, procedures for selection of an impartial panel to consider disputes, and guidelines for panel consideration and for council or committee response to panel reports.

At this point, except for the European Community, most countries, including the developing countries, support the latest text, in which most U.S. points are reflected. The text is also serving as the basis for negotiation of dispute settlement provisions in the codes of conduct being negotiated in the MTN.

Enabling Clause / Reciprocity / Graduation. "Enabling clause" is a shorthand expression for the establishment of a legal basis for special and differential treatment for developing countries. The developing countries have proposed such a clause in order to insure the legitimacy of differential treatment, which otherwise would be in violation of the GATT Most-Favored-Nation (or nondiscrimination) principle. The United States could agree to such a provision only if it is carefully defined and if special treatment is subject to periodic international review. The main feature which the U.S. would insist upon is that, as individual developing countries progress and attain a more advanced stage of economic development, those countries would no longer receive special benefits and would assume full international trade obligations. This concept, known as "graduation," is key to U.S. trade policy toward developing countries. In July, the major developed countries submitted for negotiation a proposal for an enabling clause agreement, which provided for such graduation.

Developing countries, in appraising the long-promised initiative, were not ready to embrace the proposal since they believe the special and differential treatment offered in this text is too limited. In addition, most developed countries, especially the most economically advanced, are strongly opposed to graduation. They have called for negotiations on the basis of their own versions of the enabling clause. Negotiations in the fall will seek to close this gap between the two sides.

Balance-of-Payments Reform. The United States has two major goals on this issue. First, the U.S. wishes to achieve recognition and GATT review of all trade measures taken for balance-of-payments (BOP) reasons. Although quantitative restrictions have always been subject to GATT rules, other measures—especially import surcharges or deposit schemes—have not been examined by the international trade community. The Trade Act of 1974 specifically instructs the President to seek such inclusion of surcharges and deposit schemes. Second, some improvements in BOP review procedures are being sought. The latest developments on the BOP issue indicate that the U.S. is moving close to achieving these goals.

Infant Industry Measures. This is the only issue where little progress has been made. Developing countries proposed a loosening of provisions which allow them to take otherwise illegal trade restrictive measures to help establish new industries. Since that proposal would permit almost complete freedom of action with no parallel responsibilities, developed countries found the proposal unacceptable.

Rules Governing Export Controls. The United States initiated discussion of this issue in the Framework Group due to U.S. concern about the growing problem of access to supplies. There has been much opposition to negotiations on export controls, especially on the part of the developing countries, which see the issue as a threat to their control over their own resources. The U.S. goal, however, has been to clarify the existing GATT rules governing export controls. But no agreement has been reached to date.

To summarize: The United States is optimistic that negotiations in the Framework Group will result in significant steps toward bringing GATT rules on the Framework issues more closely into line with the contemporary requirements of the trading system. Of course, there will still be room for improvement in these and other areas after conclusion of the MTN. The United States is now beginning to plan for efforts to reform and update the GATT rules on a continuing basis following the MTN.

NEW EXIMBANK-FCIA PLAN WILL AID CAPITAL GOODS EXPORTS VIA DISTRIBUTORS

To facilitate sales abroad of certain kinds of U.S. capital equipment normally sold through foreign distributors, Eximbank and the Foreign Credit Insurance Association have introduced a new "Switch Cover" plan applying to their medium-term export support.

Under it, Eximbank's or FCIA's support for an export sale to a qualified distributor can be switched to cover the distributor's sale to a creditworthy foreign end-user.

Switch Cover will apply to Eximbank's commercial bank guarantee, discount loan and Cooperative Financing Facility, and to master policy holders insured under the export credit insurance program offered and administered by the FCIA. The coverage will be approved on a case-by-case basis and will not be an automatic feature of the Bank/FCIA's medium-term programs. The option will be available for eligible capital equipment sales with a contract price of $25,000 or more.

The special coverage will permit a distributor or foreign subsidiary of a U.S. company to hold equipment in inventory for up to 270 days and then sell it to an end-user, with Eximbank/FCIA support for the end-user's promissory note. The end-user's note would be payable in U.S. dollars in the United States, to either the exporter or a U.S. commercial bank. Normal Eximbank/FCIA standards of creditworthiness will apply to end-users. In addition, a first lien on the equipment will be required for sales to private buyers who do not have a financial institution guarantee.

An Eximbank official commented that "The Switch Cover option should increase U.S. export sales through foreign distributors. At present, the distributors are required to arrange financing for their customers. The new program, by extending Eximbank/FCIA support to the end-users, will enable the distributor to use more of its capital to stock inventory, and will enhance its ability to buy additional U.S. equipment."

Trade Problems In Venezuela Subject Of Firms' Complaints

A substantial increase in the number of trade complaints by U.S. firms transacting business with Venezuelan companies has been noted recently by the U.S. Embassy in Caracas and by the Commerce Department's Industry and Trade Administration. About half of these involve sight draft payment transactions, with Venezuelan companies either delaying or refusing to claim merchandise arriving in Venezuelan ports. In those cases, the merchandise is impounded by Venezuelan customs and — if steep fines and storage charges are not paid promptly—sold at auction; in some cases, fines and charges mount to levels exceeding the value of the impounded merchandise.

Occasionally, the original consignees of unclaimed shipments might be the successful bidders at auctions, with the auction price substantially below the c.i.f. value. Even if exporters pay fines and charges before they mount to high levels, they must still obtain an export license before the goods can be recovered and reshipped either to the United States or third countries.

To minimize trade complaints, exporters should thoroughly investigate the Venezuelan companies in advance; they might obtain a World Traders Data Report through their nearest Commerce Department District Office; a mercantile credit agency report; and a commercial bank credit check. U.S. companies should also carefully evaluate the advantages, disadvantages and risks of irrevocable letters of credit versus sight drafts. Brochures on this subject are available in the international sections of many commercial banks.

INFLATION POLICIES IN FRANCE HOLD DOWN GROWTH OF IMPORTS

Because of the persistent inflation and, until recently, a serious trade deficit, the French Government has been pursuing a comprehensive stabilization program since September 1976. The U.S. Embassy in Paris reports that the Barre government's approach has been to slow down the growth of wages and of the French economy overall until price moderation and a healthy trade and payments balance are restored.

As a result of the wage slowdown, price guidelines, monetary and fiscal restraint and other anti-inflation measures, the French economy slowed from its 1976 growth rate of 5.2 percent to 2.9 percent in 1977 and it is expected to grow only about 3 percent in 1978. The Barre stabilization plan has sharply reduced the French trade deficit and strengthened the franc, even though inflation has given ground only very slowly. But unemployment remains high and investment weak because of sluggish demand and investor caution.

Policies have been changed in an attempt to restore business profitability and to improve domestic and international competitiveness. Nonetheless, prospects are for no more than a gradual, moderate acceleration of growth at best. Most forecasts envision 1979 growth in the 3 to 4 percent range, with continuing high unemployment. Progress in reducing inflation to a level which would give French economic policy more room for maneuver is expected to be slow. Nevertheless, the investment climate should continue to improve and French imports are expected to grow more rapidly than in 1977, with exports also doing well.

With the elimination of the economic policy question marks that had been posed by the elections, the foreign investment climate appears favorable. The present French government is committed to a fairly open approach to foreign investment, with the exception of a few "strategic" sectors in which it is trying to foster a purely French solution.

U.S. exports should grow moderately during 1978 and 1979. Should the government succeed in stimulating French investment in plant and equipment, the opportunities for U.S. manufacturers of capital and related goods would be proportionately better. In the longer term, the need for French industry to restructure and modernize its industries in the face of mounting international competitive pressures should provide a good market for U.S. suppliers in high technology areas.

PORT OF MARSEILLES—*Shipping to France is expedited by this port's sophisticated roll-on roll-off facilities.*

What research shows

Based on Embassy studies as well as research performed by private companies, the following product categories appear to offer the best prospects for the coming period:

Computers and Peripheral Equipment: The total value of installed computers in France, which in January 1977 was about $5.4 billion, is projected at $7.9 billion by January 1, 1980. With annual consumption of computer products in 1980 of $6 billion, this represents an annual rate increase of 23.6 percent from 1975.

Electronic Components: The market for electronic components in France is large ($1.4 billion in 1976) and will expand to an estimated $1.9 billion by 1980, with imports providing a substantial share. The United States has a major market share and our advancing technology should provide a good opportunity to expand it.

Laboratory Instrumentation: France is the fourth largest market in the world for United States exports of laboratory instrumentation. In a market dominated by imports the United States accounts for a 25-30 percent share, with Germany as its major competitor. U.S. penetration is enhanced by the presence of subsidiaries of major U.S. firms in the market and by respect for U.S. technological sophistication and dependability.

Electronic Industry Production and Test Equipment: The French government is seeking to expand domestic production of electronic components. Investment in production equipment of up to 3 billion francs (about $600 million) is foreseen. The 1976 import market was $178 million of a total $189 million. U.S. sales were $81 million or 43 percent of French consumption.

Computerized and Automated Machine Tools and Controls: A 1974 market study projected that French purchases of numerical control machine tools would reach $140 million by 1978. Soaring purchases in 1975 and 1976, which were recession years for the machine tools industry in general, make this estimate appear conservative. Management is attempting to counter problems in the industry by increasing productivity, including the use of more labor-saving, high-technology metalworking equipment.

Business Equipment: Imports of business equipment supply 80 percent of the French market. This market is projected to expand at 14 percent annually, reaching $1 billion by 1980, with the ratio of imports unchanged. U.S. companies have a commanding presence in many product lines.

Communication Equipment and Systems: The French government has embarked on a priority program to improve telecommunications with annual investment rising to $3.2 billion in 1980 from $1.4 billion in 1975. Although government procurement favors the large domestic industry, there are substantial opportunities for U.S. sales to the private sector and for equipment of advanced technology. U.S. exports rose 36 percent in this category during 1976.

Pollution Control Equipment. According to recent market research the total air and water pollution control equipment market in France will reach $417 million in 1980. Imports from the United States should rise from $5.7 million in 1976 to $7.5 million in 1980.

Best sales prospects are for filtering and industrial waste water equipment (where the market is expected to grow 12-13 perment annually) and for certain high-technology, high-precision equipment simply unavailable from French producers.

Agricultural Machinery and Garden Equipment: The market in France for agricultural machinery and equipment (except tractors) and for garden equipment is expected to increase substantially during the next five years. Based on increasing French agricultural investment, the French market for agricultural equipment (except tractors) is expected to increase by approximately 10 percent per year, with tractors and other heavy agricultural equipment progressing somewhat more slowly. Sales of garden equipment should increase about 20 percent annually during the next five years.

India's More Liberal Policy Toward Imports Broadens Opportunities

U.S. exports to India are forecast to increase steadily but not dramatically in the coming months by L. Richard Jackson, Commercial Attache at the U.S. Embassy in New Delhi.

A more liberal import policy offers some opportunities for U.S. suppliers, particularly of capital equipment and spare parts. A dramatic surge in U.S. exports will probably not occur because of the existing demand recession in many industrial sectors. Much of the demand for imported capital goods will be generated by government spending—federal and state—on major projects such as power generation and transmission, mining oil and gas exploration and large construction equipment for irrigation projects.

Prospects for sales of American-made capital items are best in 14 industries for which the Government of India has decided to allow global tenders; Indian manufacturers tendering for the supply of capital goods in these industries will not enjoy any price preference, but will benefit only from the duty of 25-40 percent imposed on imported capital items. The new import policy is projected to expose about one-half of the domestic capital goods industry to international competition.

The 14 industries subject to global tenders are: fertilizers; newsprint and paper; basic drugs; basic technical materials for pesticides and weedicides; power generation, transmission and distribution; mineral exploration, mining and beneficiation; petroleum exploration and production; petro-chemicals up to the stage of polymers; manufacture of professional grade components; waste disposal recycling and effluent treatment projects and ecological engineering; materials handling projects at ports; sugar; cement and cement products (including asbestos); and 100 percent export-oriented industries.

In addition, there is interest in a wide range of U.S. goods such as vegetable oilseeds and oils, non-ferrous metals, special steels, and equipment to manufacture special steel.

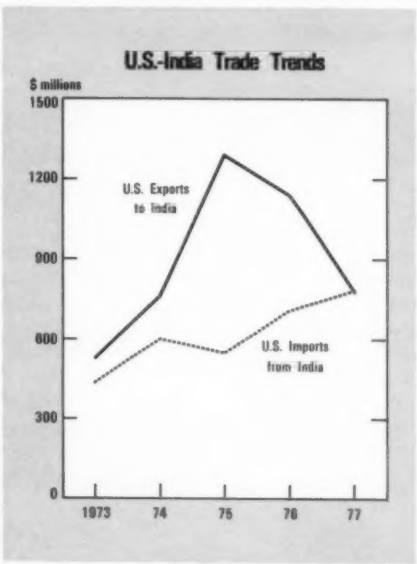
There is also scope for the import of computer peripherals, process control instruments, telecommunications equipment, trawlers, printing and graphic arts equipment, health care equipment, dairy, food, and fish processing equipment, heavy construction and earthmoving equipment, naphtha cracker unit, industrial explosives, and special types of refractories for steel mills.

The government's import/export policy, which was announced in Parliament last April, is a further liberalization of India's foreign trade; it continues the process of dismantling some of the cumbersome import/export controls and procedures. Imports of a large number of items have been placed under Open General License; a license is not required to import the item. The items in this category have been increased to 253 capital goods, some raw materials and components (non-iron and steel), a wide spectrum of life-saving drugs and equipment, certain finished drug preparations, and some teaching aids.

The policy is an attempt by the government to make rational use of its huge foreign exchange reserves to stimulate imports, generate employment and encourage export-oriented firms. It is part of the Janata Government's overall economic policy of greater self-reliance, which emphasizes agriculture and rural development and small-scale, labor intensive industries.

As for foreign investment and technical collaborations, the government is seeking to fill gaps in indigenous technology and expand exports. It does not view foreign investment as a source of capital or as a means of generating employment. The government's Industrial Policy of December 1977 states that the provisions of the Foreign Exchange Regulations Act (FERA) of 1973, which generally limits approved foreign equity to 40 percent except in certain cases of high technology and exports, will be strictly enforced. The policy provides for the selective import of technology "to promote technological self-reliance" with the government preference being for the "outright purchase of the best available technology and then adapting such technology to the country's needs."

Regarding equity participation, the policy says that "as a rule, majority interest in ownership and effective control should be in Indian hands though the government may make exceptions in highly export-oriented and/or sophisticated technology areas. In 100 percent export-oriented cases, government may consider even a fully owned foreign company." Each case of foreign investment or technology agreement is decided individually by the government within the policies described above.



A number of factors inhibit foreign investment in India with the result that there has been little new foreign investment from any country over the past several years. Deterrents to foreign investment include a singularly large amount of government red tape, import restrictions, requirements to export, limitations on the use of foreign trademarks, controls on the employment of expatriates, and very high rates of corporate and personal income taxes. In addition, electrical power is in short supply in some areas, especially in the industrial zones. Work stoppages and labor disputes are numerous with no effective government or private mechanisms for resolving labor/management disagreements.

On the other side of the coin, positive elements for collaborations, especially technical, do exist. These are a large, growing, and protected domestic market; a relatively well-developed infrastructure; an established domestic capital market; a competent cadre of management personnel; skilled and semi-skilled workers; relatively low wage rates; English as the commercial language; and freedom of remittance of profits, royalties, dividends and capital, subject to regulations common to all. Also, a collaboration in India is sometimes an advantage to the foreign firm in bidding on local projects for the supply of equipment, materials, and services from sources outside of India. Tie-ins with Indian companies can also be of benefit in competing for business in third countries such as the Middle East and Southeast Asia.

Licensing agreements appear to offer the best prospects for U.S. companies because these arrangements comply with the government's investment policy and mean low exposure of the U.S. firm. Payments of royalties and lump sum amounts for technology generally require less red tape than dividend or profit remittances.

The government prefers that Indian companies purchase technology outright for a fixed fee payment. Where this is not possible, royalty payments are not to exceed 5 percent except in certain instances where a combination of royalty and lump-sum payments can increase the effective rate to 8-9 percent.

Growth in 1978-79 will depend, as usual, on the summer (southwest) monsoon. The Janata Government places high priority on development of the agricultural sector and small-scale units and has allocated 43 percent of development funds (according to preliminary figures) to agriculture and related areas in the 1978-83 draft plan.

KOREA GROWTH EXCEEDS PLANNERS' EXPECTATIONS

Korea's economic success continues to surpass even the expectations of the country's planners, according to Gordon J. DuGan, Economic/Commercial Officer at the U.S. Embassy in Seoul. The GNP growth target for the year, originally 10-11 percent, has been raised to 13-15 percent. In addition to maintaining high growth, Korea has been resolving its balance of payments problems. Only the specter of inflation threatens the country's continued economic progress. Amidst this dynamism there are broad opportunities for American business, but the market requires extensive selling efforts.

The turnaround in Korea's balance of payments has been due to several factors, notably heightened exports, improved terms of trade and unexpectedly high income from foreign construction work. These factors have both caused, and been caused by, a significant shift in Korean industry. Once Korean manufacturing meant labor-intensive light manufactures, but in the past three years heavy industrial and chemical products have become increasingly important.

The shift in emphasis also means enhanced opportunities for U.S. exporters. Whereas Japanese products have predominated in this market, increasing concern for quality has made Korean producers more conscious of the differences among products. Price can no longer be the only criteria on which purchasing decisions are based. Moreover, the rapid revaluation of the yen in relation to the dollar has raised Japanese prices for some items considerably.

There remains one serious problem. In 1977 money supply growth of 40.7 percent contributed to inflationary pressures which are especially virulent this year. Government policies, mainly price controls, succeeded in holding the Consumer Price Index increase to 11.7 percent last year. There is doubt that price increases will be held within the government's 10 percent target this year.

After having reached $10 billion in exports in 1977, Korea is looking for another 25 percent rise in foreign sales to $12.5 billion. Imports are expected to rise to $13.5 billion, but the balance of trade deficit does not have the same implications that the extreme deficits of 1974-75 had. Because of better-than-anticipated invisible receipts, due principally to income from overseas construction contracts, the Korean current account achieved a modest surplus in 1977; however, it is expected to show a marked deficit in 1978.

Korean Mission On Way

A Korean Government mission to investigate the purchase of automobile manufacturing equipment is scheduled to arrive in this country Sept. 15. The mission will visit six cities while here. The equipment sought is for expansion of the Hyundai Motors Co. plant in Ulsan. Equipment purchases are expected to eventually total at least $50 million.

Needless to say the "new Korean economy"—liberated from balance of payments constraints—is being viewed somewhat differently by planners. Already growth estimates for the 1977-81 Fourth Five-Year Economic Development Plan have been increased and other targets adjusted accordingly. Among the most important consequences of the improvement in Korea's foreign sector has been a movement toward import liberalization. Although free trade will not be the order of the day for some time, it is anticipated that import growth will continue and that products previously restricted will be allowed entry. While the steps that have been taken may mean no more than a $200 million increase in imports in 1978, the government plans further moves during the 1979-82 period which would have much more of an effect in freeing imports.

By the end of the Fourth Plan it is expected that heavy manufacturing will constitute 49.5 percent of total manufacturing and will provide 46 percent of exports. It is in this direction that new investment is taking place, and it is in these areas where U.S. exporters will find the best opportunities for sales. Products which have the best chance of succeeding in the market include metalworking machinery, power generation equipment, construction and mining equipment, process control instrumentation and materials handling equipment.

The U.S. share of Korean imports in 1977 constituted 22.6 percent of the total —slightly higher than the 22.4 percent share in 1976. In order of importance the major imports from the United States were: grain (the U.S. supplied 96 percent of this market), textile raw materials, electrical machinery and equipment and non-electrical machinery.

The recent decline of the dollar-vis-a-vis the yen and the deutschemark may be a leavening that will help American sales rise, but other factors are important. There seems to be an almost locked-in aspect to Korean-Japanese trade. Some speculate that increasing sophistication of Korean buyers will change the Japanese bias. The Japanese say that they will find no markets there once the Koreans develop their own heavy and chemical industries. But given the realities of industrialization one is almost compelled to say that the Korean-Japanese trade partnership is almost as "natural" as the U.S.-Canadian arrangement.

Needless to say that means Korea is a hard-sell, and to develop a market takes more than just a few glossy brochures. Frequent market visits—a resident sales agent would be better—and closely following developments are essential. Exporters must also pay closer attention in meeting delivery dates as specified and providing after-sales service when necessary.

Financing remains an important factor in selling to the Korean market and U.S. exporters must meet the competition in arranging attractive financial packages. The Korean Government has asked the Export-Import Bank for assistance with the purchase of nuclear power plants, communication facilities, diesel railroad

HYUNDAI PLANT—*Giant cog is shown being finished at this facility in Korea, which was established with financial assistance from Asian Development Bank.*

engines and technical school equipment. Korean data shows that the use of direct U.S. Import-Export Bank credits has reached more than $3 billion on a commitment basis, making Korea the largest borrower from Eximbank.

Private foreign investment in Korea now totals $870 million (on an approval basis). Of this the Japanese account for 59.2 percent and the United States 30 percent. For the second consecutive year new investment commitments in 1977 were low, $76 million in 50 projects, but arrivals continued strong, $104 million, as has been the trend since 1975. The electronics, chemical and tourism industries have been attracting the most foreign money—a shift away from the formerly popular textiles—and there has been a change in source from Japan and the United States to Europe and other areas.

Liberalization of restrictions on domestic sales by foreign investors and reinforced incentives and privileges for investors in preferred areas make Korea a potentially good place for private U.S. investment. Caltex has recently announced a plan to invest $600 million in the expansion of its joint venture refinery and participation in petrochemical projects. Korea offers an industrious labor force, and adequate land and facilities to new investors.

Korea Plans Two Exhibitions That May Interest U.S. Firms

Government and private organizations in Korea are combining efforts to stage two major product exhibitions in Seoul this fall. Both provide significant opportunities for the sale of U.S. equipment.

The First Solar Energy Exhibition in Korea is scheduled to be held Nov. 10-30. The host will be the Solar Energy Research Institute of the Korea Institute of Science and Technology. Support will come from the Ministry of Energy and Resources and the Ministry of Science and Technology. The exhibition will be held at the Korea Design and Packaging Center in Seoul. Inquiries should be sent directly to: Tae Soon Yim, Director, Solar Energy Research Institute, Korea Institute of Science & Technology, Cheongyang P.O. Box 131, Dongdaemoon-ku, Seoul, Korea, 131. Tel. 967-8801/8901, ext. 301.

The First International Medical Equipment and Supplies Exhibition (MEXPO KOREA '78) will be held Oct. 10-14, on the occasion of the 70th anniversary of the Korean Medical Association. Support will come from the Ministry of Health and Social Affairs with the cooperation of *The Medical News*. The exhibition will be held at the Sejong Cultural Center in Seoul. Send inquiries to MEXPO KOREA '78, # 250, 2-ka, Taepyong-Ro, Joong-ku, CPO Box 6137, Seoul, Korea, 100. Cable. "YULSANIND" Seoul; Telex K26360, K26592; Tel. 771-02, ext. 157, 158, 159.

NIGERIA'S IMPORT NEEDS HUGE, WITH EMPHASIS ON CAPITAL GOODS

For those companies interested in operating in the third world, and particularly for those capable of operating in Africa, Nigeria should stand as one of the top markets for sales development, reports Harry Cahill, Economic/Commercial Counselor at the American Embassy in Lagos.

In 1978, Nigeria's ability to consume goods and services, as measured by Gross Domestic Product, may reach $30 billion and imported goods and services could make up a full $13 billion. With a rapidly increasing population of over 80 million, the country's import needs are huge in most fields. Food, transport equipment and industrial machinery have consistently ranked at the top. The United States supplied almost $1 billion in goods in 1977. This makes it the third largest supplier and demonstrates increasing awareness and acceptability of American products.

Business must be prepared to deal with a variety of challenges and irritations, but the end results can well be worth the effort. There are conflicting priorities among government ministries, frequent issuance of decrees changing business rules, bureaucratic inertia and red tape, erratic and difficult shipping, exorbitantly high administrative costs, an abundance of unreliable business partners and a frustrating physical environment where inadequate logistics and infrastructure combine with a harsh climate. Having said that, Cahill points to the number of firms which have come and stayed and profited. Moreover, an essential point is that the trend is toward improvement of conditions. For example, official Nigerian-American economic bilateral talks in the past seven months have identified and rectified a number of impediments to investment and trade and the outlook is for continuing positive action.

One of our strongest sectoral opportunities is food exports. Despite new tariffs announced with the April 1 budget speech, the United States should continue to provide more than 80 percent of Nigeria's wheat, corn and rice imports according to Garth Thorburn, the Embassy's Agricultural Attache. Wheat flour and canned milk provide other major opportunities while poultry should be important again if, as expected, the government further relaxes its ban on the import of chilled meat.

New items recording very strong performances in the agricultural field are popcorn, peas and beans. U.S. exports of popcorn to Nigeria jumped in rank from tenth to fourth place on a global basis. Thorburn pointed out that though peas and beans are a staple of the Nigerian diet, it is only recently that their import has been allowed. He said that one enterprising local businessman placed an order with a U.S. firm for the supply of 10,000 tons of beans; since then, there have been several inquiries for additional orders.

An important factor affecting the composition of imports is the government effort to increase the share of capital goods and restrain consumer items. Capital goods in the past year made up 68 percent of imports with consumer goods at 27 percent and passenger cars accounting for the remaining 5 percent, but these proportions will change. Local bankers and merchants have told the Embassy that there has been a tremendous decrease in imports of consumer goods and other "non-essentials" ever since the new import policy was imposed April 1. Many items, including ready-made clothing, footwear and furniture, are prohibited. Others such as stereos, television and radio sets are strictly licensed. Consumer goods which escape these restrictions require a 100-percent prepayment before a letter of credit can be issued.

The reinforced accent on capital goods is failing in part on transportation equipment. Motor vehicle parts and accessories are in such demand that vehicles are abandoned for lack of parts and the government has even considered requiring importers of vehicles to import a certain percentage of the value of the vehicles in spare parts. Specialized truck bodies (e.g., refrigerators and tanks for LPG) cannot be supplied locally and are in strong demand from abroad. A local representative of the Caterpillar Co. pointed out that his firm is doing a tremendous business in tractors and earth moving equipment.

In contrast to opportunities for specialized equipment, exports of vehicles were discouraged this year by the imposition of licenses for import of trucks and a steep increase in the tariff on 4-wheel-drive vehicles. The government's wish to reduce this type of import is illustrated by the fact that two months into the new fiscal year, no vehicle import licenses have been issued. Behind this and other trade constraints is the goal of saving foreign exchange. Reserves remain high at over $4 billion, but the government found itself spending at too fast and uncoordinated a pace. Priorities are now being put in order and revenues better assessed.

The electric generator market has been strong for some time. Booming demand for electric power due to rapid development, a faltering grid and a sudden cutback in supply due to an unexpected drop in the Niger River which drives the nation's main hydroelectric plant create the perfect market for home and industrial standby generators. However, the market is now becoming more competitive as firms and products from all over the world have been introduced to Nigeria.

A knowledgeable American salesman feels that the important factor is the delivery schedule. European firms can have

the product delivered within a matter of weeks while the U.S. product can take a number of months for delivery. He felt that building inventory within the country would give U.S. companies an important competitive edge.

Representatives of another U.S. manufacturer said they are taking steps to speed up delivery by establishing a nonprofit liaison office in Nigeria. This step is facilitated by official high-level economic talks which may allow a one-year grace period before foreign companies are obliged to find a Nigerian partner.

At the same time, the government is trying to expand rapidly its ability to deliver electric power. This means a fertile market for cable to be used in transmission and distribution lines.

An active array of American firms are already in Nigeria building telecommunications links. Their activity was reflected in the $149 million worth of telecommunications equipment which the United States sent to Nigeria in 1977.

Becoming more profitable

Sales of machinery and equipment to established industries are beginning to appear more profitable. In the past three years, Americans have captured 10-15 percent of the textile machinery market from their European and Japanese competitors. American automatic spindles and loom sets are in particular demand. The demand for soft drinks, called "minerals" in Nigeria, is such that bottling plants are springing up all over the country. American suppliers of bottling equipment have a leg up on their competition since the plants are often such well-known U.S. brands as Coca-Cola, Pepsi-Cola or Seven-up.

An industry, yet to take off, but one that could be the source of considerable U.S. sales, is that of machine tools and metalworking equipment. The country will have two new steel mills in the coming years. Nigeria already has eight vehicle assembly plants either built or soon to be completed. According to government contracts, the assemblers must source 30 percent of their product locally and so would create a natural demand for the products of intermediate firms.

Growing focus on developing water resources has resulted in establishment of 10 government river basin commissions and initiated much activity in irrigation projects, bore hole drilling and related work. Here Americans are beginning to penetrate the field, long an area dominated by European competitors.

A new trend is the number of U.S. companies inquiring about how to go into local production without making an equity investment. They have in mind licensing of technology, management contracts, or royalty payments for the use of a brand name. For all of these, the government allows repatriation of 3 percent of gross sales less factory cost. There are many examples of these invisible exports, which often result in visible exports of capital equipment for the plant.

In June 1978, a local factory opened which will use technology licensed by the Zenith Radio Corp. to manufacture television sets, radios and stereo sets. Another American multinational is negotiating seriously to license its technology for the manufacture of C and D cell batteries. Investigations are also under way by a U.S. manufacturer of denim clothing to establish a local plant collecting royalty payments for the use of its brand name and a management fee. In many similar cases, it is the specter of a closed market which helps the U.S. firm to decide on local manufacture rather than trade. The clothing manufacturer was one of many approached by local retailers who fear they will have bare shelves in October when the ban on imported clothing is implemented.

A market that U.S. business is now beginning to pursue vigorously is that of education equipment, books and audio-visual aids. An impressive number of companies supplied catalogues for the August 1978 exhibition on school construction and educational equipment. Presumably they have recognized that education is a top priority for the federal government. The drive to correct educational imbalances in the nation is expected to be stressed also by the new civilian regime. During 1978 alone, government outlays for education should approach $2 billion, with $1.2 billion in recurrent expenditure and $482 million in capital expenditure. Each state will have its own audio-visual aid center and, in conjunction with the local governments, will take increasing responsibility for the operation of the free Universal Primary Education system.

The sale of U.S. business services is another aspect of the trade outlook. Here, as in most opportunities offered by Nigeria, American firms are meeting with a great deal of success. Some of them, after winning major one-time service contracts, will establish permanent offices.

Two such firms are General Cable of Connecticut and Wilbur Smith and Associates of South Carolina. The former has just been awarded a $5 million contract to supply all the cables for the new international airport at Lagos and hopes to be in the running for the 13 airports yet to be done. The latter firm has been awarded a contract for the development of a Lagos master plan. They are finding that the field of urban and environmental planning is wide open in Nigeria. The U.S. Government, under a reimbursable development program, is moving to complete an initial survey of the field. In the meantime, contracts were awarded to American firms for drain and sewer planning in Lagos and Maidugari.

DESPITE ITS PROBLEMS, NEW ZEALAND PRESENTS A SUBSTANTIAL MARKET

With a large and persistent balance of payments deficit (NZ $938 million at the end of 1977, the lowest annual deficit since 1973), with inflation at a disturbingly high rate (15.3 percent for 1977, likely to decline marginally in 1978), and with the domestic economy in recession, New Zealand's short-term prospects are not particularly bright.

John E. Hall, Commercial Attache at the U.S. Embassy in Wellington, reports that, with the country heavily dependent on its ability to earn foreign exchange through the export of agricultural products, the threat or reality of rising protectionism in international trade in these commodities is a source of constant concern. New Zealand is working hard bilaterally, and in multilateral forums such as the Tokyo Round of trade negotiations now approaching its conclusion in Geneva, to lower barriers, but as a small country, its ability to influence major trading nations is limited.

Through 1976 and most of 1977, the New Zealand Government attempted to hold down economic activity as a method of reducing imports thereby alleviating the balance of payments deficit. By the end of last year, however, unemployment had reached politically unacceptable levels (it now stands at 2.7 percent), and some sectors of the economy—notably the construction industry and auto trade — were in severe downturn. Beginning in October 1977, a series of carefully-formulated measures were introduced to reflate the economy.

In recent years New Zealand's terms of trade have shifted for the worse; today it takes half again as great a volume of exports to buy a given unit of imports as five years ago, and this shift is considered to be permanent, not simply cyclical. In view of this, plus the vulnerability in New Zealand's heavy dependence on agricultural exports, the government, whether dampening down or pumping up the economy, has encouraged exports of manufactured products. In addition, it has retained the import-licensing scheme in force since 1938.

Generous export incentives are proving highly successful in tempting local firms to venture into export, rewarding them handsomely when they succeed. The major successes for exporters of manufactured products have been in Australia, a nearby market with no major cultural hurdles to overcome, and most importantly, one in which New Zealand exporters often have a distinct advantage over third-country competitors by virtue

(continued on page 21)

COMMERCE UPDATE
ON THE DOMESTIC SCENE

TAX REDUCTION--Secretary of Commerce Kreps told a meeting of the American Economics Assn. and the American Finance Assn. that tax reduction next year is essential to ease the burden of inflation and to keep fiscal policy on a prudent course. The size of the cuts needed in 1980, and 1981, will depend on the strength of the private sector at the time, she emphasized.

WORLD'S HIGHEST TIMEPIECE--A geo-stationary satellite is being used by scientists at Commerce's National Bureau of Standards to broadcast extremely accurate time and frequency information to special radio-controlled clocks on earth. The satellite is part of a system operated by the National Oceanic and Atmospheric Administration. Accurate time signals are needed to help synchronize such things as, for example, electric power grids.

FEDERAL PROCUREMENT CONFERENCE--The business community in Eastern Pennsylvania is invited to meet with procurement specialists from Federal military and civilian agencies and Federal prime contractors. Sen. John Heinz and seven other Pennsylvania legislators are sponsoring the Sept. 27 sessions at Downingtown Motor Inn. For full details call Ms. Jeannie A. Mosley of Senator Heinz' staff on 202-224-6324.

SPANISH ORIGIN POPULATION--The Spanish origin population in the U.S. is about 12 million, according to a Census Bureau survey. About 7.2 million in the group are of Mexican origin, 1.8 million of Puerto Rican origin, 700,000 of Cuban ancestry, 900,000 of Central or South American background and 1.5 million of other Spanish origin. The Spanish origin population is considerably younger than the general U.S. and is heavily metropolitan in location.

GRANT TO AID CITY GROWTH--A $2,071,650 grant from Commerce's Economic Development Administration will help stimulate long-range urban economic growth in Portland, Oregon by improving a major access road. Reconstruction of Northwest Front Avenue will encourage new business and industrial investment in the city's Northwest Industrial District.

GOVERNMENTAL EMPLOYMENT--There were 15.4 million persons on civilian public payrolls last October, up 394,000 from the previous year, according to a Census Bureau report. Most of the year's increase occurred in state and local governments, where employment rose by 389,000 workers to a total of 12,558,000. The number of Federal civilian employees rose slightly, by 5,000, to a total of 2,848,000.

SHIPPING POLICY OPTIONS--An extensive study on the liner segment of ocean shipping has been released by Commerce's Maritime Administration to present the effect of three national policy options on U.S.-flag operators over the next decade: 1) maintaining the status quo; 2) encouraging more competition among world merchant fleets, or 3) permitting greater cooperation between American and other national flag lines carrying general cargoes. For copies of a summary of the report, write MarAd Office of Public Affairs, Room 3895, U.S. Dept. of Commerce, Washington, D.C. 20230.

FRANCHISING OPPORTUNITIES--Members of minority groups seeking business ownership information in the franchising field are targeted readers for "Franchising Opportunities Handbook," published jointly by Commerce's Industry & Trade Administration and its Office of Minority Business Enterprise. The 12th edition covers 39 categories of franchising and lists 798 enterprises. It is available at $5.50 from the Supt. of Documents, U.S. Govt. Printing Office, Washington, D.C. 20402. Stock number is 003-009-00256-7.

VISITORS FROM ABROAD--The number of international visitors to the U.S. from countries other than Canada and Mexico was up by 19.5 percent in the first five months of 1978 compared to a year earlier. In this 1.7 million total, arrivals from the United Kingdom were up 37.6 percent, Venezuela 33.4 percent, Italy 31.4 percent, Argentina 31 percent, Colombia 25.5 percent and West Germany 24.9 percent, according to a U.S. Travel Service compilation.

SCIENTIFIC AND TECHNICAL PAPERS--Nearly 1,900 scientific and technical papers published last year by Commerce's National Bureau of Standards are now listed in the catalog "1977 Publications of the National Bureau of Standards." Subjects range from A--abnormal loading of structures--to Z--zero-shift in pressure measurement. The catalog, NBS Special Pub. 305, Supplement 9, stock number 003-003-0951-8, is available at $7.50 from the Supt. of Documents, U.S. Govt. Printing Office, Washington, D.C. 20402.

Growth In Property Tax, Other Revenue Varies Widely Among States, Cities

This article was prepared by Chief Economist Courtenay Slater in collaboration with Special Assistant Martha Davis.

DR. SLATER

The possibility of more Proposition 13-style tax revolts, the future of countercyclical revenue-sharing to local governments, and the appropriate size of the Federal budget deficit — debate of these and other issues has been influenced by the unusual rise in the budget surplus run by state and local governments. The surplus is currently running nearly $30 billion annually, including about $10 billion in operating funds. This reflects an improved fiscal picture for these governments in the past two years. It is due to the recovery of the economy (and therefore of tax receipts), to more generous Federal aid to state and local governments, and most importantly to spending restraint which governments have shown since the last recession.

Reversing the relationships of the previous quarter century, real state and local purchases have risen a total of about 4.5 percent in the past two years, or only about one-half as rapidly as the 8.9 percent increase in Gross National Product.

Traditionally, the state and local sector has maintained a balanced budget. Surpluses began to accumulate in the early 1970's, due primarily to the growth of employee trust funds. Recession cut heavily into the surplus in 1974 and 1975, but by mid-1977, the surplus had risen to the $30 million range, where it has since remained. Two-thirds of it consists of surpluses in employee trust funds and one-third represents actual operating surplus.

Combined government budget

The entire $30 billion is relevant in considering the appropriate size of the Federal deficit, because it represents a withdrawal from the spending stream and a source of capital that indirectly eases the financing of the Federal budget deficit. Last year's Federal deficit ran nearly $50 billion. The combined government budget deficit was less than $20 billion, however. As shown in Table 1, this was significantly lower than either of the previous two years and has allowed more investment capital to flow to the private sector as the recovery continues. In the first half of 1978 the combined budget deficit diminished further, to less than $10 billion.

In considering policy more directly relevant to state and local governments, the $30 billion surplus may be misleading. The size of the surplus has created doubts about whether the countercyclical revenue-sharing program should be extended, since the program was intended to aid local governments whose tax bases had been eroded by the recession. Perhaps more widely discussed has been the notion that Proposition 13-style reductions in local taxes are feasible without really affecting the level of public services because either the local or state government will have a surplus on which it can draw.

Two facts have an important bearing on these issues. First, only the operating surplus ($11 billion last year) is available to finance expenditures in excess of tax receipts. Secondly, since the distribution of the operating surplus is not equal across all governments, some will be much better off and some worse off than the average indicates. Some knowledge of the distribution of the surplus is necessary to evaluate local governments' need for Federal aid or the likelihood of local tax cuts.

Surpluses small in some states

No definitive study has been made of individual government surpluses, but several surveys of state governments have been taken; these conclude that most states' financial situations have improved since 1975, and that tax reduction proposals have flourished in this environment. Some states, such as Pennsylvania and Illinois, do not show significant budget surpluses, however, while California's surplus is clearly disproportionately large.

If knowledge of the distribution of budget surpluses among states is sketchy, the relative fiscal situations of the tens of thousands of local government units is even less clear. Analysis by the Urban Institute of the finances of several large older northeastern cities has shown that very stringent budget restraint has been and will continue to be necessary to maintain solvency—the aggregate surplus has passed them by. In other regions and among different-size cities, the financial picture is brighter. Although it is impossible to provide a comprehensive regional breakdown of the local government surplus, one key indicator is the growth of local revenues.

Table 1. Government Surplus or Deficit

(Billions of dollars in calendar years; National income accounts basis)

	1975	1976	1977	1978 1st qtr.	1978 2nd qtr.
State and Local Surplus or Deficit (—)	$ 6.2	20.7	29.6	31.5	29.8
Social insurance funds	12.5	15.2	18.0	19.9	20.5
Operating funds	— 6.2	5.5	11.5	11.5	9.3
Federal Surplus or Deficit (—)	—70.6	—53.8	—48.1	—52.6	—25.2
Combined Government Surplus or Deficit (—)	—64.4	—33.1	—18.5	—21.1	4.6

Note: Quarterly figures are seasonally adjusted annual rates.
Source: Bureau of Economic Analysis.

Table 2. Growth In Revenues Of All Local Governments

(Percent increase)

Fiscal year	Total General Revenue	Property Taxes	Intergovernmental Grants From States	Intergovernmental Grants From Federal
1975	11.3	7.7	14.6	6.9
1976	11.3	9.7	10.0	24.5
1977	9.0	9.7	7.2	17.5

Average Annual Growth of Total Local Government Revenues and Property Tax Receipts per Capita
Fiscal Years 1974-77

Source: Bureau of Census; estimates subject to sampling error

Data from the Census Bureau's forthcoming publication of *Government Finances* for fiscal 1977 show that revenue growth for all local governments decelerated to 9 percent in fiscal 1977 from over 11 percent in the previous two years. (Fiscal 1977 for most governments ended in December 1976 or June 1977, but end points range from July 1976 to June 1977.) Table 2 shows that property taxes grew a somewhat faster 9.7 percent, while grants from states grew at a below average rate and those from the Federal government grew most rapidly of any major component.

Table 3 shows the regional variations in the growth of local government general revenues per capita. Per capita amounts are used to eliminate the effects of higher-than-average population growth in the West and South. The Mountain states clearly have experienced the most rapid per capita growth of receipts, while revenue growth in the other regions averaged over the period was about equal. The variety of state growth rates within each region appears in the map above; during the three-year period, the states where local governments had the least revenue growth were Midwestern and Northeastern, although this sluggish growth was not pervasive even in those regions.

The rate of growth of total revenue per capita provides some indication of the tightness of the budgetary constraints faced by local governments in the different states and regions. Examination of the composition of receipts by source can also provide some clues to the degree of budget stringency as well as some insight into fiscal relationships among Federal, state and local government. The composition of local government revenues has remained approximately the same in the past few years, although it differs across regions. The chart on page 20 shows the sources of revenue for an average local government in fiscal 1977, where grants from state governments comprise a perhaps surprisingly large 34 percent of the total. This is fairly representative of each region except for New England, were state grants represent only 23 percent of revenues; in turn, property taxes constitute 58 percent of revenues in New England, a much higher proportion than the next highest 37 percent in the Pacific region.

Table 3. Rates Of Local Government Revenue Growth Per Capita

(Annual percent change in fiscal years)

	1975	1976	1977
New England	14	8	9
Mid-Atlantic	12	10	6
Great Lakes	8	9	11
Plains	9	10	10
South Atlantic	12	12	9
South Central	11	13	7
Mountain	12	15	9
Pacific	9	12	7

Note: Regions correspond to Census definition.

Variations in property taxes

Looking at regional growth in local property taxes in Table 4, one sees that neither the rate of growth nor the pattern of growth over time are uniform across the country. Per capita property taxes grew fastest during these three years in the Mountain states, and rose faster than the national average in both Southern regions. Evidence of resistance to property taxes is most apparent in the Pacific states; however, property taxes in that area rose at about an average rate.

Once again, a lot of diversity in prop-

erty tax growth appears for states within each region, as shown on the map. Per capita property taxes rose nearly 20 percent per year in Alaska while actually declining in Washington State; 9 percent per year in Ohio, but only 0.8 percent in Indiana.

The growth of state grants to local governments also varies considerably by region as shown in Table 4, in terms of both the average rate and the pattern of growth over time. The highest increases come in New England (dominated by Massachusetts' big jump in fiscal 1975), the West and Great Lakes states. The national trend toward slower growth in 1977 than in 1975 or 1976 held true in all except the Pacific and Great Lakes regions.

Tax burden and personal income

The differential growth rates of regional property taxes cannot be equated with growth of the tax *burden*. Regions where economic growth has been greatest might also be expected to exhibit fastest growth in property values; in such cases, tax receipts could rise without any change in tax *rates*. Lacking current data on property values and effective tax rates, one indicator of the change in tax "burden" is the rise in tax receipts relative to that in personal income. Table 5 shows each region's average growth in per capita personal income and per capita property taxes over this three-year period.

Property taxes rose significantly faster than income in the South Atlantic and Mountain states, and significantly slower than income in the Great Lakes and New England regions. One major drawback to these comparisons is that state personal income may not reflect the growth of capital-intensive business activity, which may generate substantial local property tax revenue. The energy boom in the Rocky Mountain states could account for the high tax growth in that area.

One conclusion which can be drawn from these figures is that local government revenue growth varies quite a lot among states, which indicates that the local government surplus is probably not evenly spread across the country. Slow per capita revenue growth does not necessarily indicate fiscal stress, since in certain states the demand for public services might not be growing much or the state could be taking over some local functions. Generally speaking, however, revenue growth may be the best readily available indicator of fiscal condition.

Another significant finding is that property taxes did not grow much faster than incomes in the period from 1974 to early 1977. In predicting the spread of movements to limit property taxes, however, each state would have to be analyzed individually. The wide range of growth rates indicates that revolt against property taxes should be more likely to occur in some areas than in others.

Nationally, property tax receipts did grow faster in 1976 and 1977 than they had in the previous year. The current housing boom and the increasing frequency with which property values might be reassessed in an inflationary age can be expected to produce rapid growth of property tax receipts in the future. Such growth could inflame existing sentiments to limit property taxes, and would also contradict the traditional view of property tax revenues as those least responsive to economic growth.

Sources of Local Government General Revenue, U.S. Total in Fiscal 1977

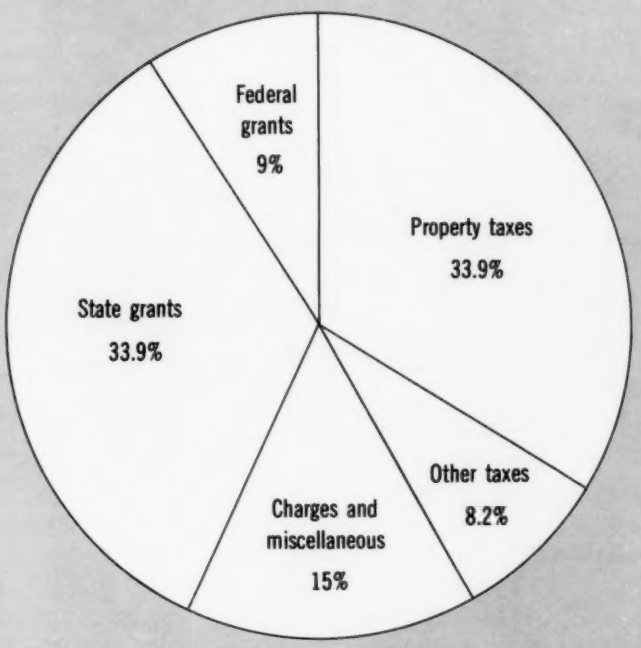


Table 4. Growth Of Local Government Property Tax And State Transfer Revenues Per Capita

(Percent change in fiscal year)

	Property Taxes			Transfers from States		
	1975	1976	1977	1975	1976	1977
New England	8	1	13	39	15	—3
Mid-Atlantic	8	10	8	18	5	3
Great Lakes	3	6	9	12	10	15
Plains	7	9	5	10	9	9
South Atlantic	9	13	10	15	7	8
South Central	11	11	9	12	16	5
Mountain	4	20	11	18	12	8
Pacific	9	10	9	7	13	16

Table 5. Growth Per Capita: Property Taxes & Personal Income

Average annual percent change fiscal years 1974-77

	Property Tax Receipts	Personal Income
New England	7.6	8.4
Mid-Atlantic	8.8	8.6
Great Lakes	5.9	8.7
Plains	6.8	6.6
South Atlantic	10.5	8.3
South Central	10.2	10.2
Mountain	11.5	8.2
Pacific	9.3	9.7

Note: Personal income change is that between calendar 1973 and 1976, for closest comparability with fiscal years.
Source of income data: Bureau of Economic Analysis.

(continued from page 16)

of the New Zealand-Australia Free Trade Agreement (NAFTA). Sixty-five percent of the two-way trade is now tariff-free, an advantage that has made it possible for New Zealand firms to successfully export a wide range of goods across the Tasman. New Zealanders are now seeking other markets, however, both because there are limits to their ability to sell in Australia and because they fear being overly dependent on a single trading partner, no matter how friendly.

Emphasize versatility

American products generally have a good reputation in New Zealand for quality and durability, and recent exchange rate developments have made them an excellent value per dollar invested. Americans are known, too, for versatility, but also for being all too often more specialized than New Zealand's needs—at least for the present. Food packaging machinery in the United States, for example, may run for days or weeks doing the same task, but because of the much smaller market in New Zealand, such equipment may have to be shifted from one task to another every few hours. U.S. packaging equipment may do its job extremely well. However, equipment from a German manufacturer may be more feasible in New Zealand because it requires far less time to convert from one task to another.

In the same vein American tractors tend to be highly sophisticated and are priced accordingly; although New Zealand farmers may drool every time they think of John Deere or. International Harvester, they may well buy a much simpler, considerably cheaper, Russian tractor. Similar observations would apply to Czech machine tools, to Japanese instruments and electronic equipment, and to a host of other products. U.S. products are good, but they are often made with large production runs and very specialized tasks in view. That scheme, as it applies today, subjects imports of selected products to quantitative restriction. The import-licensing schedule is reviewed annually, and products are added or deleted as circumstances may dictate. At the present products subject to licensing constitute about 25 percent of New Zealand's imports by value, and, generally speaking, are products for which equivalents are being produced, or could be produced in New Zealand. The system is used to moderate imports for balance of payments reasons but it is used as well to protect local industries from foreign competition and as an encouragement to local entrepreneurs to diversify into new lines of production. Products subject to import licensing restrictions include commercial and agricultural motor vehicles (including tractors, buses, trucks, and fire engines), many categories of electrical machinery and equipment, some electrical instruments, some dairy machinery, some textile fabrics, and a wide range of consumer goods. For would-be foreign suppliers of such products, licensing can be anything from an annoyance to an insurmountable barrier, pending on the specific product, the sensitivity of local producers to outside competition, and the current government attitude toward the product and the industry which produces it. Licensing will remain in force for the foreseeable future, and must be taken into account by any prospective exporter to New Zealand.

The desirability of a strengthened manufacturing sector has been recognized in government circles for many years, but only in the 1970's has it been a top-priority policy objective. The fruits are beginning to appear only now, the major restructuring of the economy of which industralization is a key element still is in its infancy. Low productivity is cited by many observers as a problem New Zealand must face. In the short run, the government has chosen to use (1) the import-licensing system to protect local manufacturing industries, and (2) its extensive powers to control foreign investment to shield both the industrial and the commercial sectors from potentially harmful competition. Over the longer term, it is the government's objective to encourage New Zealand industries to increase their productivity so as to be able to withstand international competition, both at home and in overseas markets. It is in this context that suppliers of sophisticated capital equipment, raw materials, and technology—essential inputs for increased export productivity—can expect good prospects for doing business with and in New Zealand.

Opportunities are good, too, for the sale of sophisticated telecommunications equipment, machine tools, equipment for the fishing, forestry and timber industries, for food processing and packaging, laboratory instruments, security and safety equipment, and a variety of other high-technology product lines. It is anticipated that Commerce Department promotion events in many of these product areas will be held in New Zealand. Market research reports delineating possibilities for increased exports of specific products are available from the Department's district offices.

New Zealand has been hit hard by the rising costs of petroleum since 1973. Major efforts have been undertaken to locate and bring into production indigenous fossil fuels, and thereby reduce the dependence on imported liquid fuels. As early as March of 1979, the offshore Maui gas field could come on stream; four or five years later its second phase will also come into production. There are hopes that oil may be found under the seas south of New Zealand; if so, technology will be required to exploit it.

The arrival of Maui gas will produce a major shift in New Zealand's energy situation. Dependence on imported petroleum which now accounts for one-sixth of all New Zealand imports by value) will decline markedly. Maui is expected to produce some 400,000 metric tons of LPG per year, compared with the 7,000 tons available from other sources now. Over the next several years, as the country adjusts to this new resource, there will likely be either a shift into the direct use of LPG as a substitute for gasoline, or into increasing use of manufactured gas, or both. The implications for the country are substantial, and the prospects for foreign suppliers of equipment and technology will be affected accordingly.

Meriting close scrutiny

New Zealand's sole oil refinery at Marsden Point north of Auckland is to be expanded over the next few years at a cost estimated at $300 million. The principal element in the expansion will be the addition of a catalytic cracker which will enable New Zealand, for the first time, to produce aviation fuels. In addition, it will be able to refine 100 percent of the country's gasoline requirements versus 70 percent with the existing plant and equipment. Estimates of savings in foreign exchange run as high as $100 million per year as imports of refined petroleum products are replaced by imports of crude oil. Opportunities for technical services and sales of equipment and technology in connection with this project merit close investigation by American firms.

New Zealand is a small market, and competition is intense. New Zealand buyers are well-informed on developments throughout the world. The Australians, British, Japanese, Western Europeans and Canadians, are actively promoting good products there, and American firms which wish to secure sales must be prepared to make a determined effort just to keep up with the competition. Having a competent local business partner or agent, or a direct subsidiary in New Zealand, is the best way to keep abreast of this market, and to do well in it.

Firms should be flexible as well as determined, however. Joint venture arrangements, or licensing for local manufacture, may often be the best way to break into the New Zealand market, especially where there is some local manufacture of a comparable product already. Proposals which will assist the development of local industries and offer the promise of increased New Zealand exports will be most welcome to government and to the New Zealand business community. The sweeter the offer in these respects the more enthusiastically it will be received.

Bangladesh Makes Progress, Still Faces Big Problems

Bangladesh is making some headway in its struggle against formidable problems of poverty and underdevelopment. Last year was the best since independence for this small, densely populated and poor agricultural nation of 85 million. Gross Domestic Product grew 8 percent, thanks to a healthy 13 percent increase in foodgrain production (the key economic indicator); other sectors also showed increasing strength. Since 1973, foodgrain production has grown at 4.5 percent annually, exceeding the population growth rate of 2.8 percent. This trend and the bumper harvest of FY 1977-78 that resulted from good weather and sound government policies, show that progress can be made toward self sufficiency in food and some improvement in welfare for the masses, according to the U.S. Embassy in Dacca.

Other positive economic signs in 1977-78 were a 17 percent boost in exports to about $497 million, paced by strong world demand for Bangladesh's major exports—jute goods, jute and tea. Imports, mostly raw materials, industrial goods and foodgrain rose 47 percent to almost $1.3 billion—a sign of economic awakening. But the $800 million trade gap, most of which will be met with foreign aid, shows the continuing basic weakness of Bangladesh's economy. Total aid in 1978-79 will be about $1.2 billion, including over $175 million from the United States. Large aid flows are expected to continue although absorptive capacity remains limited.

Debt service is tolerable, but will expand in the future and the Bangladesh Government seeks debt relief. Prudent fiscal policies have kept inflation between 10 and 15 percent during the past two years although it is currently running slightly higher. A budget deficit of $83 million, about 8 percent over planned expenditures, is expected in 1977-78. Private domestic and foreign investment grew more rapidly in 1977-78 because of favorable government policies, but the amount remains small compared to the need.

Although development prospects for the next few years are moderately encouraging because of proven possibilities for agricultural growth, many critical problems must be overcome to ensure long-range development. Population growth must be slowed by more vigorous family planning programs. A broader export sector must be developed, and more local funds mobilized to overcome dependence on aid. Major reforms are needed in the deficit-ridden state sector which controls most of Bangladesh's industry, and private enterprise must be given a larger role. Finally, Bangladesh must make much greater efforts to extend the benefits of development to its poor rural majority to mobilize their productive energies and to ease the growing burdens of landlessness, unemployment and extreme poverty.

U.S. exports to Bangladesh were about $156 million in 1977. Bulk commodities such as foodgrain, cotton, edible oil and tallow financed by PL-480 aid or other aid sources such as the International Development Association, which provides about $75 million annually in commodity loans, offer the best prospects. There are also opportunities for supplying equipment, usually under aid-financed international tenders in such areas as railways, communications, power transmission and water treatment. There are also significant opportunities for U.S. consulting and engineering firms to bid on numerous aid-financed infrastructure projects. U.S. firms that wish to do business in Bangladesh are advised to appoint a local agent.

Costa Rican Law Strengthens Commercial Contract Rules

A new Costa Rican law regulates the termination of commercial representative, distributorship and manufacturing contracts. Law No. 6209, effective April 3, supersedes Law No. 4684 of Dec. 4, 1970.

A new feature of this law affords local manufacturers the same rights and protection as were previously available only to agents, distributors and other representatives. This applies when such Costa Rican manufacturers use foreign materials and technology to make or package goods or merchandise bearing a foreign trademark.

Justification for termination of the principal-agent relationship without penalties of payment of compensation to the representative remains basically the same as in the previous law.

The amount of compensation payable to the representative in cases of an unjustified termination has been increased from two to four months gross profits, based on an annual average, for each year or fraction of the contract's duration. A maximum indemnity of nine years gross profits is provided instead of eight under the previous law. Compensation may also include expenses incurred by the representative in setting up the agency and the cost of items purchased to operate the agency. The Ministry of Economy, Commerce and Industry will determine the amount to be paid for unjust terminations pursuant to these rules.

Under this new law the jurisdiction of Costa Rican courts may not be waived, nor any of the rights granted to the representative, distributor or manufacturer. Copies of an unofficial translation of Law 6209 are available from Foreign Business Practices Division, Office of International Finance and Investment, U.S. Department of Commerce, Washington, D.C. 20230; phone 202-377-4471.

Economy Of UAE Slows Down, But Oil Money, Development Make It Good U.S. Market

The principal fact of 1978 economic life in the United Arab Emirates, a federation of seven traditional Arab peninsular sheikdoms, is that the post-1973 boom has flattened out.

The U.S. Embassy in Abu Dhabi reports, however, substantial amounts of oil income will continue to be spent on imported goods and services in the UAE's drive to bring itself into the modern world. Ambitious technologically-oriented development goals, coupled with the ability to pay, make the country an attractive market in which to sell U.S. goods and services.

Small and controlled growth is foreseen over the next year as the UAE economy emerges from a business turndown brought on by overstimulated expectations of continued rapid expansion. Now, with its economic self-confidence jostled for the first time since 1974 by a recession, the UAE is in the mood for taking stock of its position and prospects. Inevitably, its concern has focused on the future revenues from oil and gas sales and has led to a new policy of increased exploration as well as conservation, highlighted by a 16 percent cut-back in 1978 Abu Dhabi oil production. This policy will mean $1.3 billion less export sales in 1978 and less surplus for investment in the near term. It should induce a greater degree of realism in business expectations and government-planned spending.

Since most physical infrastructure work has been at least launched, local business attention will now center more on productive domestic investment, especially supplying equipment and services to oil and gas projects. Following the change in mood after the recession. Abu Dhabi, (but not Dubai) is increasingly restricting new business opportunities to local citizens, as a certain "business nationalism" comes to the fore. This tendency, if continued, would favor joint ventures of service contracts rather than subsidiary operations for U.S. business. Even if the overall growth of the economy is moderate, U.S. business—strong in the oil and gas industries—can be expected to do well in the next several years.

Reflecting high import levels and Abu Dhabi's oil production cut-back, the UAE in 1978 will no longer be a significant balance of payments surplus country. In order to finance industrial, gas and oil projects, UAE borrowers are expected to tap the international market during the next several years. In these circumstances, Abu Dhabi's $1.2 billion foreign aid program is likely to be increasingly criticized, as pressures mount to give priority to domestic investments as well as modest expansion of the UAE foreign investment

portfolio for the day when energy-derived income is depleted. A conservative foreign investment strategy is likely to continue with considerable movement out of the dollar into the yen and DM until decision-makers judge that the dollar's fall has stopped.

Nevertheless, the UAE offers business opportunities for Americans in the next several months. Emirate decision-makers are well disposed towards American people, institutions and products, and relations at the personal as well as the governmental level are cordial.

The execution of major projects in heavy, as well as light, industry and in infrastructure completion requires expertise and capital goods. The United States is in a good competitive position in both areas. The most fruitful markets in the next 6-12 months will be in consulting, construction management, and capital equipment sales for oil and gas projects, on and off-shore. Ruwaits alone is expected to require 2,000 vendors working through six major sub-contractors. About 60 percent of UAE imports (and 80 percent of imports from the United States) are in the SITC categories six and seven. Such products as tires, ceramic tiles; steel bars; angles; plate and pipe; worked aluminum; the broad range of electrical and non-electrical machinery, especially air-conditioning equipment; and transport equipment and chemicals are all in demand. In these markets United States suppliers are well established.

The communications industry offers enormous potential. The local company, Emirtel, plans to expand its phone system from the present 50,000 to 400,000 by 1982. Additionally, telex lines are scheduled to increase from 3,000 to 16,000 in the same period. Emirtel is likely to look for very high technology equipment, such as Electronic Switching System exchanges, in which the United States is very competitive. Other areas in which U.S. business has good possibilities are in franchise operations, water resources, industrial, fire and highway safety and in home and office furnishings.

The declining balance of payments surplus positions means that UAE decision-makers will be more careful in choosing their investments, both at home and abroad. Prestige projects or investments have little chance when compared to those which can offer an attractive rate of return. Realism, rather than high-flown aspirations, should be the key to successful business with the UAE and emirate governments.

Some priority is given to encouraging local investment and other Arab investment. However, sound, substantial investment opportunities are limited because of the small size and purchasing power of local markets; inadequate infrastructure, red tape and political instability in other Arab markets; and lack of both capable entrepreneurs and sophisticated investors. For these reasons, the UAE is receptive to holding external financial or equity investments.

AT MAJOR POLISH FAIR—*At the 50th Poznan International Fair this year 38 U.S. firms displayed products in the American Pavilion and reported floor sales of $3 million, with further projected sales of $55 million. Another U.S. exhibition is to be staged at the 1979 fair next June (Nancy Rinehart has details on 202-377-4161 in Commerce's Bureau of East-West Trade). Pictured above flanking Polish First Secretary Edward Gierek are Rep. and Mrs. Lucien N. Nedzi of Michigan, representing President Carter at the fair. U.S. Ambassador William F. Schaufele is at left.*

The choice of nations in which they maintain these investments will depend upon comparative inflation and currency rate changes. Due to the size of U.S. markets, the United States' recent record on inflation, political stability and good bilateral relations, UAE authorities have shown themselves quite interested in U.S. holdings. However, recent weakening of the dollar has caused the UAE as an investor to attempt to transfer its financial holdings out of the dollar and into yen and DM, and this trend is likely to continue. While at the end of 1976 more than 70 percent of UAE holdings were in dollars, by mid-1976 perhaps only 40 percent remain in dollars. Investment portfolios are in high-quality U.S. bonds, cash in short term deposits, precious metals, equities and property. Property investments are considered attractive but difficult to find. The corollary, of course, of the declining dollar is that American purchases are relatively cheaper. The tendency, however, among the Abu Dhabian leadership is to observe that the best investment that they can make is to leave their oil in the ground to appreciate.

In the aftermath of the credit squeeze in May 1977 and subsequent recession, a rethinking has been going on at the Federal level about expensive prestige projects which require considerable numbers of expatriates to operate. In a country where perhaps 80 percent of the population are foreigners, the idea of willingly embarking on a course of development which would place the local population even more in a minority is steadily losing its appeal to most citizens. These sentiments are strongest in Abu Dhabi where the vast oil reserves and strong traditional influences have led to a more nationalistic business climate. A striking recent example of this spirit is the Abu Dhabi requirement that petroleum contracting and supply companies doing business in Abu Dhabi establish an operating base within the emirate. A base elsewhere in the UAE will not satisfy the stipulation.

It is now apparent that significant foreign investment or involvement in Abu Dhabi is not encouraged except on a clearly subordinate basis. Other emirates do not share these sentiments. Their best hope for growth lies in making themselves attractive places for foreigners to do business; as an entrepot like Dubai, an offshore financial and services center like Sharjah, or a tourist center like Fujairah. The trend in Abu Dhabi and in the federal government, however, is clearly to shift final decisions in all operating spheres of economic life into local, or at least Arab hands. Firm local control over the direction of development is the goal.

The U.S. stake in a more nationalistic business climate in the UAE is relatively small. The target sectors of the economy in this campaign are local trading, contracting and finance operations. The U.S. presence in the UAE is in high-technology petroleum and high-skill service industries, neither of which are suitable candidates for rapid nationalistic endeavor, assuming that the overall moderate policies pursued by Shaikh Zayid continue. Willingness to be peripheral advisors or to put up equity on a subordinate basis in a joint venture is very well received; American companies that are able to accommodate themselves to this trend will find increasing success.

Cape Verde Has Long Road To Financial Independence

The Cape Verde economy has suffered severely from drought conditions for the past eleven years, according to the U.S. Embassy in Praia. The island nation off the coast of West Africa depends on foreign assistance for supplies of stable foods, especially corn. Cape Verde's trade deficit for 1976 was about $25.4 million. The country attained independence only in 1975 and is still in the process of establishing institutions and infrastructure. The political unrest in other former Portuguese colonies, notably Angola, has caused an inflow of refugees. At the same time, many Portuguese citizens left Cape Verde at the time of independence. Many of those who left were skilled or relatively well educated. These migrations have aggravated the already poor employment situation. In several areas unemployment is more than 50 percent.

In February the Government of Cape Verde moved from a rather liberal policy of licensing imports, principally consumer goods, to a more restrictive policy designed to make more foreign exchange available for the import of capital goods, machinery, medicines and development-related equipment. The effect of these restrictions has been to reduce considerably the importation of foodstuffs, clothing and beverages. The full impact of these restrictions is yet to be felt.

The outlook for the short term is not bright. Cape Verde will continue to depend on relatively large amounts of foreign assistance to feed its people. Even with a return of normal rainfall it will take several years for the agricultural sector to recover, as at least 60 percent of the livestock herds have been slaughtered during the drought and coffee trees and other vegetation have died. The population of the islands is increasing at an estimated rate of 2.8 percent annually, placing further strains on limited resources. The population density is currently about 192 people per square mile, one of the highest densities in West Africa.

Foreign assistance provides the basis for the continued economic well-being of Cape Verde. Major donors include the United States, Netherlands, United Kingdom, West Germany and Portugal. The largest part of the aid is food or agriculture-related. Major U.S. projects include construction of terraces, dams and dikes to control soil erosion and the furnishing of foodgrains under the PL-480 Program. Major U.S. aid projects outside of the agricultural sector are a water desalination and electrical generating plants for the island of Sal and for the city of Mindelo. U.S. AID rural works' programs alone employ nearly 10,000. Aid from all sources is a key factor in allowing Cape Verde to maintain a small surplus in its balance of payments.

The small size of the market and the very limited availability of foreign exchange will make it difficult for the United States to enlarge its market share, but, as Cape Verde expands and improves its fishing fleet and industry, investment opportunities for U.S. firms may develop.

U.S.-PRC Trade Could Be Record

The United States will probably experience a record level of trade with the People's Republic of China (PRC) this year, with the balance sharply in favor of the U.S.

The rapid expansion of U.S.-PRC trade is being brought about largely by the PRC reentry into the U.S. grain market after an absence of three years. To date the PRC has purchased 2.5 million metric tons ($340 million), with 2.2 million tons ($300 million) to be delivered in calendar year 1978. First-half statistics show U.S. exports to the PRC up to $210.5 million, from $62.2 million in January through June 1977. With most of the wheat deliveries to be made in the second half, United States exports to the PRC in 1978 should exceed $600 million.

U.S. imports from the PRC in the first half of 1978 reached $166 million, compared with $101.4 million by June 1977. For the year as a whole imports should pass $300 million.

Total two-way trade, therefore, should be at least $900 million this year. Expected cotton sales to China in the second half could push total trade above the peak of $934 million attained in 1974. The United States will probably register a surplus of over $300 million, recouping two successive years of unfavorable balances in its trade with the PRC.

Japan Firm Seeks Support For Project In Singapore

A recent report in the Singapore business press notes that Sumitomo Chemicals of Japan, prime mover in a $2 billion petrochemical project in Singapore, has been unable to reach agreement with European firms to undertake some of the downstream plants involved in the complex. Sumitomo, according to the report, is now seeking the participation of other Japanese firms before developing this project.

Support for the downstream plants has to be secured before the Petrochemical Corp. of Singapore, the lead firm in the project, can go ahead with the construction of its upstream naphtha cracking plant. If the planned deadline of 1982 for the project is to be met, Petrochemical Corp. must make its go-ahead decision by the end of the year. Uncertainties in the world petrochemical market are apparently responsible for the current reluctance of venturers.

Meanwhile, attention has been drawn in Singapore to the possibility of a U.S.-Singapore bilateral treaty to protect U.S. investments in Singapore. Protection under the Overseas Private Investment Corporation (OPIC) program was lost recently when Singapore's economic growth moved it out of the category of developing nations covered by OPIC guarantees.

Calendar For World Traders

Sept. 19—Memphis—World Trade Club meeting, Monte's Restaurant. Memphis District Office, 901-521-3213.

Sept. 21—New York—FCIB Drug, Chemical and Food Export Club, Summit Hotel. Information: 212-725-1700.

Sept. 21-22—Chicago—Seminar on Foreign Market Entry Strategies, presented by Wharton School of the University of Pennsylvania. Information: Heidi E. Kaplan, 212-953-7262.

Sept. 25—Hamburg, Germany—FCIB International Round Table Conference, Atlantic Hotel. Call 212-725-1700.

Sept. 25-26—Chicago—International Trade Club's 18th Annual Seminar on Principles and Techniques in Exporting, McCormick Inn. Call: 212-341-9021.

Sept. 25-27—New York—World Trade Institute meetings on Relocating Employees Overseas, Sept. 25-26, and Fundamentals of Foreign Exchange, Sept. 26-27; both at One World Trade Center. Information: 212-466-4044.

Sept. 25-29—New York—AMA meetings, Americana Hotel: Mexico, Sept. 25-26; Brazil, Sept. 27-29. 212-586-8100.

Sept. 27—Cleveland—Export workshop, presented by World Trade Assn., Cleveland Plaza. Call: 216-621-3300.

Sept. 28—Raleigh—North Carolina World Trade Association seminar on Doing Business in the Near East, N.C. State University campus. Peter B. Hale, Director of Commerce Action Group for the Near East, will speak. 919-737-2261.

Worldwide Business Opportunities

International trade specialists in the Department of Commerce and Foreign Service Officers in the U.S. Embassies and Consulates around the world are continually developing specific commercial opportunities through which American companies can find buyers, agents, partners or investors abroad. One of the major means for communicating these opportunities promptly and accurately to the U.S. business community is through the columns of this magazine.

The section that follows presents details about upcoming trade exhibits and trade missions, licensing and joint venture proposals, opportunities to sell to foreign enterprises, major construction and expansion projects, and visiting buyers.

U.S. Promotions Abroad

For more facts on these and other U.S. exhibitions write: Director, Office of International Marketing, Rm. 4015, U.S. Department of Commerce, Washington, D.C. 20230. For trade missions: Rm. 6051, U.S. Department of Commerce, Washington, D.C. 20230.

Industrial Welding Equipment and Technology Technical Sales Seminar, G.D.R., Poland, Romania, Yugoslavia. November. These four countries have attached great importance to the incorporation of high technology equipment into the industrial process. Upon inquiry these four countries stated a specific interest in automatic and robot welders, laser-beam welding equipment, submerged arc welding with electrode preheating, flux-shielded arc welding apparatus, plasma and electron beam welding equipment, machine welding, ultrasonic welding machines, automatic proportioning, coated electrodes for welding of high alloy, stainless corrosion proof and heat-resisting steel. Call Reginald Beckham, 202-377-2801.

Mining Equipment Seminar Mission to Spain, Portugal and Yugoslavia. November. Government priorities in each of these three countries emphasize rapid development of ore and mineral resources. Yugoslavia's current five-year plan calls for investments of $3.2 billion in the mining sector. Expenditures on mining projects of $250 million are expected in Spain and $300 million in Portugal. Specific minerals involved include iron ore (Portugal and Yugoslavia); coal (all three countries); phosphates (Spain); and bauxite (Yugoslavia). Products with good sales potential include rotary and bucket wheel excavators, conveyors, excavator draglines, bulldozers, loaders, trench diggers, cranes, dredges, dumpers, graders, scrapers and large off-highway trucks. Call Art Laemmerzahl, 202-377-4511.

Electronic Production and Test Equipment Exhibition. U.S. Trade Center, Sao Paulo. Nov. 6-10. The growing importance of Brazil's electronics industry is creating a strong rise in demand for equipment and special materials for electronic components production. Continuing demand for electronic consumer products and government efforts to stimulate domestic components production should raise sales to over $57 million in 1980. American suppliers are expected to make new inroads, increasing their import market share to 40 percent in 1980, as imports of test instrumentation and special materials for electronic components advance. Domestic production of equipment and materials in Brazil is forecast to expand rapidly; however, local producers are not expected to keep pace with demand. Imports, which reached $25 million in 1976, are expected to rise to $45 million in 1980. Sales of U.S.-origin equipment are forecast to reach $18 million a year by the end of the decade. Annette V. Napper, 202-377-5427.

Energy Systems Exhibition and Seminar. U.S. International Marketing Center, Singapore. Nov. 6-10. A rapidly growing and profitable market in South Asia exists for U.S. exporters of solar and conventional power generating, transmission, distribution and control equipment. During 1976, U.S. firms sold more than $120 million worth of energy systems equipment in this market. Sales of high quality and competitive U.S. equipment can be expected to exceed the projected aggregate 10-15 percent annual growth rate. Regional energy systems imports are expected to exceed $900 million annually by 1982. As the gateway to Thailand, Malaysia, Indonesia and Southeast Asia, Singapore is the principle marketing, distribution and financial center of an area supporting a population of 190 million, with a combined GNP of $55 billion. Contact Bill Brekke, 202-377-3893.

U.S. Hospital & Medical Equipment Catalog Exhibition. Thailand, Singapore. Nov. 6-11. The total market for hospital and medical equipment in Thailand was estimated at $23.5 million in 1977. This market is supplied almost completely by imports. There are 19 projects remaining under the 1977-81 Thai public health plan that will cost more than $943 million. The modernization of Singapore's hospital and medical facilities that began in 1972 is expected to continue until 1982. During the next five years, the medical equipment market is projected to rise as two major hospital construction projects are completed. Annual purchases should increase to $6.4 million annually by 1979. Two other hospital projects are planned in the early 1980's that should keep up the demand for medical equipment. Best prospects for U.S. sales in these markets will be in sophisticated and specialized medical equipment. Catalog Exhibitions, 202-377-3973.

Quality Control & Materials Test Instruments & Equipment. U.S. Trade Center, Mexico City. Nov. 7-10. Mexico imports most of the quality control & test instruments and related equipment it needs. In 1976, over $36 million worth of instruments were imported, with the United States the leading supplier, accounting for 72 percent of all quality control & materials test instruments. Purchases are forecast to grow at an annual rate of about 16 percent during the next several years. Due to the lack of quality control in Mexican industry and the continual need for higher quality Mexican products, this is the Mexican industry's area of greatest interest and need. Contact County Marketing Manager—Mexico, 202-377-4463.

Electronica '78. Munich Fairgrounds. Nov. 9-15. This international trade fair for electronic components and assemblies, held every two years, is considered to be the world's largest and most important event in the field of electronics. The German market alone for electronic components is forecast to reach nearly $3 billion in 1980. Sales reached an impressive $2.2 billion in 1976 and are predicted to grow an average 7 percent annually through the remainder of the decade. U.S. manufacturers account for the largest share of the import market, supplying about 20 percent of imported components. Don Schmadel, 202-377-2920.

Computers and Related Equipment Exhibition. U.S. Trade Center, Tokyo. Nov. 13-17. U.S. manufacturers of computers and related equipment are invited to participate on a first-come first-served basis. The Japanese market for this equipment is forecast to expand at an average annual rate of 13 percent from $2.8 billion in 1977 to $5 billion in 1982. In 1977 the U.S. share of Japanese imports was $269 million. By 1982 it is expected to reach $500 million or 59 percent of all computers and related equipment imported by Japan in that year. The product theme for the exhibition includes general purpose mainframes plus compatible CPU's, mini-computers, microcomputers, memory and solid state subsystems, input-output equipment, special purpose terminals, data communication/data entry equipment, parts and accessories, services and software, DBMS, IMS and other applications. Robert Levine, 202-377-4379.

Telecommunications Equipment and Systems Exhibition. U.S. International Marketing Center, Sydney. Nov. 13-17. The initial exhibition of this equipment, held in April 1976, resulted in projected sales of $11 million—a successful show of confidence in U.S. products. Sizable government purchases pushed the Australian market for communications equipment forward at an average annual rate of 25 percent between 1972 and 1974, reaching $311 million in the latter year. Purchases fell slightly in 1975, but continuing automation of the national telecommunications network and rising government data transmission requirements are factors that indicate a projected annual market growth of 9 percent for the remainder of this decade. Total 1980 sales are expected to approach $470 million. For further information call 202-377-4957.

U.S. Industrial Equipment Catalog Exhibition at "Index '78." Athens. Nov. 13-19. The only specialized mechanical engineering and equipment trade show in Greece. Approximately 20,000 business officials visited "Index '77." The U.S. Catalog Exhibition being held in conjunction with this fair will feature in-plant materials handling, metalworking, and plant maintenance equipment. Catalog Exhibitions, 202-377-3973.

Communications Equipment and Systems Trade Mission to India and Pakistan. Nov. 13-30. The Government of India plans to invest approximately $2 billion to modernize the communications network in the country. India expects to import communications equipment and systems valued at about $367 million during the 1978-80 period, compared to $106 million of imports in the prior three years. Some 80 percent of the equipment to be imported by India in the next three or four years is in the new technology area and is primarily produced by U.S. companies. Pakistan's imports of commercial, industrial and public service telecommunication equipment including radio, television, and military communication equipment are estimated at between $250 million and $300 million during the period FY 1978-80. American exporters may secure a one-third share of this expanding market as U.S. equipment enjoys a high consumer preference because of advanced technology, better quality and competitive prices. The expanding Indian and Pakistani markets for communication equipment will provide excellent sales and joint venture opportunities for U.S. suppliers. Geoffrey Walser, 202-377-2973/4.

Food Processing Seminar Exhibit. U.S. Commercial Office, Moscow, Nov. 27-Dec. 1, and Kiev, Dec. 4-8. The U.S. Commercial Office is working closely with the Soviet and Ukrainian ministries in charge of food processing; the Ukrainian Ministres of Meat and Dairy and Food Industry have given the Commercial Office a list of equipment and processes that they want to have promoted at this event, the first to be held in the breadbasket of the Soviet Union. Jim Robb, 202-377-4810.

Aircraft, Aviation and Avionics Equipment Trade Mission to Nigeria, Kenya and Sudan. December. Will be limited to 12 U.S. companies representing aircraft, aviation and avionics equipment, including communications, navigational and ground support equipment. Participants will have a unique opportunity to meet with top decision-makers for the purchase of this equipment in government and business. Nigeria, Kenya and Sudan represent substantial markets. Each require commercial, general aviation and avionics equipment to implement current plans for airport expansion, and need additional aircraft to solve governmental and industrial transportation problems. In 1975, the Sudan imported $17 million in aircraft and aviation equipment, $16.8 million from the United States. Contact Jonnell Jacobson, 202-377-4918.

Mining and Exploration Equipment Seminar Mission to Indonesia, Thailand and Philippines. December. Mineral resources are among the most important earners of foreign exchange in these countries. Projections show continued growth in output, with several new mining projects planned as well as expansion of existing mines. Specific minerals involved include tin (Indonesia and Thailand); flourite, zinc, soda ash, and antimony (Thailand); copper and nickel (Indonesia and the Philippines); bauxite (Indonesia); and coal (Philippines). Equipment requirements include shortwall and universal cutting machines, hoists, flotation machines, concentrating tables, classifiers, feeders, scrubbers, ball and hammer mills, drilling equipment, and mine transport equipment. Additional items with market potential include process control instruments and safety devices. Increased exploration will result in purchases of items ranging from general geological survey equipment to on-site boring and testing equipment, as well as for geological laboratory testing and analysis. Call Art Laemmerzahl, 202-377-3741.

U.S. Woodworking Equipment Catalog Exhibition. Brussels. Dec. 2-10. The Belgian market offers good prospects to American manufacturers of woodworking equipment. Since 1975, imports have grown substantially, jumping from $14.4 million in 1975 to $18.4 million in 1976 and then exceeding $21 million in 1977. If this average annual growth rate of 21 percent continues, Belgian firms will be spending more than $37.8 million yearly on woodworking equipment imports by 1980. The number of Belgian manufacturers of lumbering and sawmilling equipment has dwindled to about ten, of which only three are important. Because of this decline, imports will supply most of Belgium's woodworking needs. Interests in American-made equipment ranges from highly-sophisticated automated machinery to smaller equipment suitable for the do-it-yourselfer. Catalog Exhibitions, 202-377-3973.

Printing and Graphic Arts Equipment Exhibition. U.S. Trade Center, Taipei. Dec. 4-8. The market for graphic industries equipment in Taiwan is expected to increase from $13.1 million in 1977 to $14.6 million in 1981. A considerable portion of the demand for this type of equipment is met by imports, which are projected to increase from $11.3 million in 1977 to $12.9 million in 1981. Contact Joseph Burke, 202-377-2087 or 5401.

Communications Equipment Seminar Mission to Morocco, Algeria and Tunisia. Dec. 5-15. The Algerian Government is interested in upgrading, expanding and modernizing its communication infrastructure. To provide quality telephone service and television programming to Algerian villages scattered across the vast Sahara Desert, the Algerians have decided to obtain a large satellite communications system. The Tunisian market for communications equipment will continue to expand as government plans are carried out to link Tunis to Rome with a direct marine cable and to purchase one ground station for satellite communications in the next two years. The current 1977-81 development plan provides investment of about $180 million in the communications field. Moroccan officials have indicated that $357.1 million will be invested in the communications sector during the next five years. Of this amount, $167 million will be for the importation of communications equipment. Call Geoffrey H. Walser, 202-377-4511.

Ferrous Metallurgy Seminar and Exhibit, U.S. Commercial Office, Moscow, Dec. 11-15. The Soviet Ministry of Ferrous Metallurgy has given the U.S. Commercial Office a list of the equipment and systems it would like to have promoted at this event. Call Jim Robb, 202-377-4810.

Water Resources Specialized Trade Mission. Jordan, Oman, United Arab Emirates. Jan. 6-18. Jordan and Oman's planned expenditures for the development of water resources projects exceed $330 million through 1980. The United Arab Emirates currently is making a major review of its water resources and related future needs. Jordan has an acute and growing crisis in water resources for human consumption and irrigation. The Jordan Government is giving this sector highest priority. Projects call for allocating $4.6 million for the purchase of rigs and accessories; $76 million for the construction of five dams; $67 million for sprinkler irrigation systems; and $58 million for urban water supply and distribution. Oman's five-year development plan calls for several small dams to slow the run-off of heavy rainfall and restoration of underground waterways. The upgrading of community water supply systems is also being planned. In the U.A.E., the outline for water resources development proposes a large desalting plant in Dibba, estimated to cost $500 million with an added pipe system costing an expected $600 million Products with good prospects are: pipe, pumps, engines, sprinkler and dry irrigation systems; metering, testing equipment; drilling rigs; submersible pumps, desalination (including solar-powered) equipment; sewage and waste water treatment equipment; process controls and data processing equipment; related engineering and consulting services. This mission is limited to 12 U.S. firms. Call the Mission Program Officer, Robert J. Bucalo, 202-377-3741 to register.

Electrical Energy Systems, U.S. Trade Center, Tehran, Jan. 14-18, 1979. Strong U.S. position still holds in this key market. While Iran is still suffering from the after-effects of the excessive growth rates of 1974 and 1975, there is solid evidence that the economy is once more moving into high gear. It appears that U.S. sales to Iran in 1978 will total some $3.4 billion, or well above the all-time record $3.2 billion achieved three years ago. U.S. manufacturers of gas turbines and nuclear power equipment should benefit most by Iran's expansion of its national power grid. Suppliers of power transmission and distribution equipment will also find good sales potential. Frequent power shortages have made the Iranian public more aware of the need for standby packaged power units as well as mobile units and power generating units during peaking periods. Solar power is another opportunity in Iran. The solar field includes: total solar energy systems, solar thermal energy systems, photovoltaics, heating and cooling, and agricultural applications of solar energy. Call Franc D. Manzolillo, 202-377-2991.

Industrial Packaging Seminar and Exhibit, U.S. Commercial Office, Moscow. Jan. 15-19, 1979. The Soviet Union requires a wide variety of modern packaging equipment and systems to improve the quality of its consumer goods. Call Jim Robb, 202-377-4810.

Metalworking Equipment Exhibition. U.S. Trade Center, Sao Paulo. Jan. 15-19. The Brazilian market for metalworking equipment amounted to almost $610 million in 1977 and is expected to total over $815 million in 1982. Imports registered $290 million in 1977 and are forecast to reach $372 million in 1982. Best prospect categories include: roundness measuring instruments, coordinate measuring and layout machines, surface finish measuring, recording and testing equipment, gear and hob checking equipment, special dies, a broader range of machine tools, special metalworking equipment, molding and continuous casting equipment, and heavy duty cutting, grinding and drilling power tools. Contact Beryl Cohen Blecher, 202-377-5427.

Hospital and Medical Equipment Catalog Exhibition. India (four cities). Jan. 15-31. A dramatic improvement in India's foreign exchange position has allowed restrictions on the imports of hospital and medical equipment to be lifted. This equipment may now be imported freely within specified limits. Imports of medical equipment were $9.3 million in 1975 and are expected to increase to $13 million this year. It is

anticipated that they will rise at least 10 percent annually for the next few years. Due to end-user preference for American equipment, U.S. firms should be able to retain their 30 percent share of this import market. U.S. medical equipment is very popular in India, because of its technological advantages, durability, and performance. There is a good potential for sales of equipment which involve the latest technology and procedures. For further information call Catalog Exhibitions, 202-377-3973.

Medical Equipment Exhibition, U.S. Trade Center, Tokyo. Jan. 29-Feb. 2. Japanese imports of medical equipment from the United States totaled $45 million in 1975, $61 million in 1976, and $79 million in 1977. The projections for 1980 indicate a $551 million market with imports of $142 million, of which the U.S. share is estimated to be 62 percent or $88 million. Best sales prospects include cardiological equipment, pulmonary apparatus, neurological equipment, ophthalmological equipment, pediatric equipment, operating room equipment, general hospital equipment, and clinical laboratory equipment. Cantwell Walsh, 202-377-5893.

International Hardware Fair. Cologne. Feb. 10-13, 1979. In 1977, sales of hardware in Germany totaled $2.7 billion, an increase of 9 percent in current prices over 1976. Additionally, do-it-yourself supplies sales totaled between $4 and $5 billion. Forecasts for hardware sales of $3.8 billion and $7.8 billion for do-it-yourself sales are expected in 1983. Contact Loretta Allison, 202-377-5228.

Agribusiness and Food Processing and Packaging Equipment Exhibition and Seminar, Bangkok, Feb. 12-16, 1979. Thailand is a major world producer and exporter of rice, corn, tapioca, sugar and fruits and vegetables. The current Five-Year Plan puts increased emphasis on expanded production and local processing of food for export. The World Bank, Asian Development Bank and AID are providing funding for irrigation and rural development. Imports of agricultural equipment in 1977 totalled $38 million with projected sales of $54 million by 1982. The food packaging equipment market is expanding with imports of $9.7 million in 1977 and is projected to reach $12.6 million by 1982. Food processing equipment imports were $23.4 million in 1977 and are expected to reach $32 million by 1982. For further information and a copy of the market research summary, contact Todd W. Burns, 202-377-2051.

Computers and Peripheral Equipment Exhibition. U.S. Trade Center, Sao Paulo. Feb. 12-16. The Brazilian market for computers and peripheral equipment was estimated at $55.7 million in 1977. Imports accounted for over 80 percent of this market, or $45.3 million. U.S.-origin CPE represented an estimated 71 percent of total CPE imports in 1977, up significantly from the 53 percent registered in 1975. The equipment which offers the best prospects for U.S. exporters over the 1978-82 period is small, medium and, particularly, large computers; auxiliary memories; LSI technology; mass-storage systems; OCR, MICR equipment; both impact and non-impact printers; peripheral controllers and interfaces; and acoustic coupers. A copy of the U.S. Commerce Department study of the Brazilian market for computers and peripheral equipment is available by calling G. Lincoln McCurdy, 202-377-5427.

Aimex '79—Mining and Exploration Equipment. Sydney. Feb. 12-17. Australian consumption of mining and heavy construction equipment in FY1977 is conservatively estimated at $349 million and is projected to reach $440 million by FY1980. Over this period the mining sector will account for most of the growth of consumption. Australia is well endowed with valuable mineral resources and by the 1980's minerals are predicted to replace primary products as Australia's principal export earner. American technology is very competitive in the Australian market and is highly regarded for quality, durability and performance. Equipment which should find maximum acceptance in the Australian market includes: rock drill bits and steels; rock drilling and boring machinery; diamond drilling machines; graders; dozers; excavators; loaders; mine construction; mineral processing machinery; and offshore exploration equipment. For further information contact Harry Stringer, 202-377-4957.

Paris Air Show

The U.S. Department of Commerce will again sponsor a U.S. Pavilion at the 33rd Paris Air Show—le Salon International de l'Aeronautique et de l'Espace—June 9-17, 1979, at le Bourget Airport, Paris. The Paris Air Show is internationally accepted as the most prestigious event for the international aerospace industry. The 1977 show drew visitors from 108 countries, with total attendance of nearly 470,000, of which approximately 86,000 were trade visitors.

For information contact: H. L. Kirchschlager, U.S. Department of Commerce, Office of International Marketing, Room 6318, Washington, D.C. 20230; tel. 202-377-4104.

"Process and Quality Controls USA". U.S. Trade Center, Taipei. Feb. 19-23. "Buy More In America" is the latest proclamation of the Republic of China's Board of Foreign Trade officials. Taiwan's process industries depend almost entirely on imports to fulfill their needs for dependable, sophisticated control and inspection instruments and equipment. The U.S. is Taiwan's primary source for this equipment, and a recent market survey conducted for the Commerce Department reports that numerous major investment projects are now scheduled in many industrial sectors. The market for process control instruments is forecast to grow from about US$42.8 million in 1978 to over $58 million in 1982. General and automated analytical instruments comprised 46 percent of the $51.5 million Taiwan market for all industrial and scientific analytical instrumentation, while mechanical appliances and systems for testing physical properties of industrial materials accounted for another 40 percent during 1976. Call Dave Horridge, 202-377-2087 or 5401.

Environmental Pollution Control 79—International Exhibition, Sokolniki Park, Moscow. Feb. 28-March 12. Environmental protection is of considerable interest to Soviet Ministries. Although the Soviet Union's market for antipollution equipment is in its infancy, it is growing fast, and prospects are good for U.S. sales. Items of specific interest to the Soviets include: automated stations and environmental pollution monitoring systems, mobile and stationary installations and instruments for urban and background pollution monitoring, remote sensing, laboratory measurements of samples, and preparation of samples for analysis, sampling devices, means for calibration of instruments for monitoring of the environment, instrument installations and equipment for measurement and control of environmental pollution sources. Call Nancy Rinehart, 202-377-2801.

Industrial Electronics and Instrumentation, Leipzig Spring Fair, GDR, March 11-18, 1979. The Leipzig Fair is the world's oldest ongoing trade fair—over 800 years of experience. The Department of Commerce will present an exhibition of U.S. manufacturers at the 1979 Leipzig Spring Fair under the theme of industrial electronics and instrumentation. The current Five-Year Plan, which runs through 1980, gives top priority to the electrical-electronics related industries. For more information or to participate contact: Mike Frisby, 202-377-5186.

Mediterranean Basin Energy Conservation Technology Exhibition & Conference, U.S. Trade Center, Milan. March 26-30, 1979. In cooperation with the Department of Energy, the Department of Commerce will sponsor a special exhibition and conference, displaying equipment and techniques for commercial and industrial energy conservation. This event will be a timely vehicle for the demonstration of U.S. capabilities in this field, as well as providing a forum for the discussion of the latest U.S. technology applicable to energy conservation. As this is a vital topic to oil-dependent countries in the Mediterranean region, attendance is anticipated from Greece, Turkey, Spain, Portugal, Yugoslavia, Iran and France, in addition to Italy. Contact George Knowles, 202-377-3944.

Machine Tools and Metalworking Equipment. Seoul. March 26-30. Korea's current Five-Year Plan (1977-81) stresses development of the machinery industry through introduction of capital equipment with a high degree of technology in order to be competitive in world markets. Reliance on imports is necessary since the Korean machine tool industry is in its infancy. The market for machine tools in Korea is expected to double from $270 million in 1977 to $533 million in 1981. Imports supply 70 percent of the current market and are projected to account for 65 percent in 1981. The U.S. share of the market should rise from 12 to 15 percent by 1981 if aggressive marketing techniques are utilized by U.S. suppliers. Call Fred Ott, 202-377-5895.

Communications Equipment Exhibition. U.S. Trade Center, Sao Paulo. March 26-30. The Brazilian market for communications equipment was estimated at just over $1 billion in 1976; imports amounted to $371 million. Investment in the telecommunications sector alone for 1977 was about $1.4 billion; in 1978, it is forecast at $1.9 billion, a 35-percent increase. The market for telephone terminal equipment is estimated at $760 million for 1978 and $800 million for 1979 and 1980. Although national policy is to buy Brazilian and limit imports, sales potential is high when equipment is sophisticated, not manufactured locally, and has economic viability in performance and return on investment. An efficient national communications network is essential to the growing economy of Brazil, and the government plans to continue its ambitious development program regardless of its balance of payments problem. Opportunities exist for

U.S. exporters to sell equipment not manufactured locally, e.g., test instrumentation, microwave accessories and components. In 1977, the total import market in Brazil for communications test equipment was $26.6 million, of which the U.S. share was approximately 39 percent. Nearly all test equipment is imported. U.S. exporters can view the future with optimism as imports are expected to grow to $36 million by 1980. The U.S. also has a good competitive position in imports of radio and TV broadcasting equipment and radio transceivers. In 1977, U.S. imports accounted for 13.5 percent of the market. The import level of $29 million for 1977 is expected to grow to $35 million during the next three years. With a change in administration in March 1979, the outlook is promising for expanding the national communications system. Large projects are likely to be started up again. U.S. firms can take advantage of this market now as U.S. communications equipment is recognized for its technological sophistication, efficiency and reliability. Contact Annette Napper, 202-377-5427.

DIDACTA '79 (Education and Training Materials and Equipment), Duesseldorf, Germany, March 27-31, 1979. This is the largest exhibition of its kind in Europe. The education market in Western Europe (EEC countries, Sweden, Norway, Finland, Austria, and Switzerland) totals about $3 billion. The German market alone accounted for approximately $822 million in 1978, or 28 percent of the total volume. The anticipated figure for 1983 is $926 million in constant prices. Contact Dwight Umstead, 202-377-4414.

Computers and Peripheral Equipment Exhibition. Melbourne. April 2-6. In November 1976 Commerce sponsored the first U.S. computers and peripheral equipment exhibition in Australia. Reports filed by the 51 companies that participated show that more than $32 million in sales were expected from the show. Since then the Australian market has nearly doubled to more than $440 million. There is an overwhelming preference for U.S. products, a virtual absence of local manufacture, and new untapped end-users expecting to make initial purchases by 1980. This will be the largest computer exhibition in Australia. Call Robert McLaughlin, 202-377-3646. Your Australian representative should contact the U.S. International Marketing Center, 4 Cliff St., Milsons Point, Sydney N.S.W.

IFSSEC '79—Security Devices, Equipment and Systems Exhibition. London. April 23-27. Commerce will sponsor a U.S. exhibition at IFSSEC, one of Europe's largest international fire, security and safety shows. In 1978 IFSSEC drew more than 34,400 registered visitors, of which 11,000, representing 81 countries, were from outside the U.K. Concern for security protection has highlighted market expansion for security devices, equipment and systems in the U.K. and Europe. Between 1976 and 1982 the market for this equipment is projected to expand by 65 percent, with purchases amounting to more than $864 million. Call Robert Connan, 202-377-3465.

GEC '79—Printing & Graphic Arts Exhibition, Milan, May 19-27, 1979. Commerce will sponsor a U.S. national area at GEC '79, the only world-scale event in the field of printing and graphic arts to be held in 1979. GEC is sponsored every ten years at the Milan International Fair Grounds. The 1969 event registered over 200,000 trade visitors, with more than 100,000 attending from outside Italy. The 1979 event will encompass over 700,000 square feet of exhibit space, and attendance is projected to exceed 250,000. Equipment to be exhibited will include all printing and graphic arts products. Call Bill McClure, 202-377-4605.

EDP/USA '79, U.S. Trade Center, Milan. June 12-15, 1979. The U.S. Trade Center's EDP/USA has established itself as the single most important computer and data communications exhibition and conference in Southern Europe. The '78 event encompassed 30,000 square feet of exhibit space, and the number of exhibitors increased to 136 U.S. firms, with a waiting list. Limited to 30,000 square feet; early registration for this event is encouraged. Manufacturers of computers, micro/minicomputers, peripherals, data communications equipment and software should call Marcia Griffin, 202-377-4508.

Licensing, Investment Abroad

NIGERIA—Firm seeks joint venture arrangements to produce **breakfast cereals (especially corn flakes), toys and furniture.** Headed by attorney who is senior executive of large American petroleum company. Overseas Products & Investment Opportunities Staff, Office of Export Development, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78802. OPIC.

NIGERIA—Kwara State Government is interested in U.S. investments and know-how for following projects: **cement factory; stone crushing; brewery and soft drink complex; animal feed mill; ceramic tiles factory; fruit and vegetable canning; galvanized corrugated steel sheets plant.** Overseas Products & Investment Opportunities Staff, Office of Export Development, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78799. OPIC.

UNITED KINGDOM—Manufacturer, distributor, and exporter of **mechanical measuring equipment, small machine tools and any unusual and economical engineering or welding products,** is seeking licensing agreements for production of items compatible with current range. Established 1923; employs 350. P. Headland, Thos. P. Headland Limited, Rose Kiln Lane, Reading, Berks, RG2 0HP, England. P-78754.

1542, 7011—EGYPT—Firm plans to **construct building with minimum of 20 floors to contain office space, conference rooms, restaurants, cafeterias and a first-class hotel.** Desires contact with U.S. construction companies and hotel management firms. Estimated cost is $30 million. Will be erected in Alexandria where large commercial and industrial expansion program planned over next five years. Overseas Products & Investment Opportunities Staff, Office of Export Development, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78796. OPIC.

2000 — SIERRA LEONE — Large, quasi-government agency seeks joint venture arrangement for cultivation and production of **coffee, cocoa, ginger, other spices and groundnuts.** Firm is sole exporter of cash crops. Overseas Products & Investment Opportunities Staff, Office of Export Development, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78690. OPIC.

2013 — KOREA — Licensing agreement sought with U.S. firm for producing **sausage and canned beef.** Company has processing plant installed in 1977 with 26,000 sq. ft. of floor space on 108,000 sq. ft. site. Slaughtering capacity for 300 head daily and cold storage capacity of 30 m/t available. E. W. Kim, Sanja Co., Ltd., C.P.O. Box 5018, Seoul, Korea, Cable: FOODSANJA Seoul, Telephone: 22-6160. P-78691. OPIC.

2514, 3446—KOREA—Firm interested in either joint venture or licensing arrangements with U.S. **brass bedstead, footboard and headboard manufacturers.** Korean company presently manufactures brassware products, stainless steel tableware and other metal handicraft items. Tommy Park, Manager, Sales Department, Keang Nam Metal Industrial Co., Ltd., CPO Box 6174, 310-68, 4-KA, Ulchi-Ro Chung-Ku, Seoul, Korea 100, Telex: K27466. P-78692. OPIC.

2649—GERMANY—Manufacturer of colored paper, paperboard, handicraft items interested in obtaining licenses for production and distribution of **handicraft sets from paper or paperboard** suitable for children. Firm established 1820 and has good reputation. Alexander Barthel, Buntpapierfabrik Ludwig Baehr KG, Postfach 310314, D-3500 Kassel-B., Germany. P-78693.

2731—INDIA—Established firm wants to be exclusive agent for U.S. **book publishers.** Particularly interested in books dealing with science, technology and humanities. Currently represents seven British publishing companies. Overseas Products & Investment Opportunities Staff, Office of Export Development, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78821. OPIC.

2851—CHILE—Seeks licenses from U.S. firm to produce **paints and coatings** used in construction and industry. Established 1977, employs 28 making these products. Had sales of $500,000 during first half of 1978. Raul Van de Wyngard, Executive President, Pinturas Revor S.A., P.O. Box 17028, Correo 8, Santiago, Chile. Van de Wyngard plans to visit New York and Los Angeles in October and would like to meet interested potential licensors in this country. P-78829.

2851 — NIGERIA — Investment company with interests in several industries and organizations in northern Nigeria, intends to start **paint industry** in Kaduna or Zaria and seeks U.S. technical partners to participate. Paint manufacturing falls under Schedule II of Nigerian Enterprises 1977 Promotion Decree, which gives Nigerians 60 percent and foreigners 40 percent equity shares, but this might be negotiated to give foreign firms controlling share. Presently there are no paint producers in northern Nigeria. Allam Zakari Chawai, Northern Nigeria Investment Ltd., Bank of the North Building, Hospital Road, P.O. Box 138, Kaduna. P-78825. OPIC.

2869, 2899—UNITED KINGDOM—Medium-sized firm that manufactures **industrial chemicals,** especially those used in **food, pharmaceutical, rubber** and **plastics industries,** seeks licenses to make items compatible with its product line. Established 1823, employs 700. P. R. Bellingham, Market Development Executive, John & E.

Sturge Ltd., 1 Wheeleys Road, Birmingham B15 2LE. P-78695.

2869, 2891, 2899—UNITED KINGDOM—Seeks licenses to manufacture **chemicals, cleaners** and other items compatible with its product line, which includes chemicals for textiles, paper and rubber industries; also products used by janitorial, maintenance, packaging, adhesive, abrasive, anticorrision and decorative industries. Established 1844, employs 50. T. R. Bentley, Mng. Dir., Stephenson Bros. Ltd., P.O. Box 305, Listerhills Road, Bradford, West Yorkshire, BD7 1HY, England. P-78735.

2891—GERMANY—Seeks sales representation-distribution and possibly licensing agreement to sell-manufacture **hot melt sticks and guns of thermoplastic adhesive** that will only melt at 140-200°C. Firm employs 72 and reports annual sales of $7.2 million. Dipl.-Ing. Ingo W. Kistner, Durol GmbH Co. KG, Tulpenweg 5, D-7991 Eriskirch, Germany. Cable: DUROLERISKIRCH; telex: 734380; telephone: 7541/82021. P-78734.

3079—SPAIN—Company specializing in manufacturing rubber and latex products would like to locate U.S. partner which could provide know-how and financial assistance to produce **hard rubber couplings and fittings** for automotive and other industries, in which firm already has wide experience, and to develop **new line of rubber oil seals.** Employs 475. Guipuzcoanas de Caucho y Latex, S.A. "CATELSA," Oyarzun, Guipuzcoa, Spain. P-78759.

3261, 3842, 2020—SYRIA—Firm interested in establishing manufacturing facilities in Syria for **bathroom accessory fixtures and fittings, first-aid and surgical bandages and dairy products.** Market would be primarily domestic with some possibilities for export. Syrian company is interested in licensing and joint venture arrangements. Firm was chartered for purpose of investing in manufacturing and agriculture in Syria. Has been granted "Private Company" legal status as well as exemption of company imports of equipment and machinery from customs duties and fees, exemption for five years of income tax (dating from first profitable business year), exemption from currency exchange and capital movement restrictions. Interested firms should provide following information when corresponding: extent of firm's cooperation in establishing manufacturing facilities; rough estimate of capital requirements (for given production capacity); terms and royalties for use of company brand name; desire to given exclusive right to Middle East and North African market; and extent of participation in planning, feasibility studies, construction and training of management and personnel. Contact: Nazem Mahyni, Industrial Investment Manager, Syrian Saudi Co., P.O. Box 9089, Damascus, Syria; Cable: SIACSYR; telex: SIACO 11908; telephone: 666133. P-78830. OPIC.

3272, 3443—GERMANY—Interested in licenses to manufacture **concrete pipes and poles, plastic poles, heat exchangers with closed joint internal tube welding, solar energy equipment and waste water treatment plants for liquid waste incineration.** Also any other kind of apparatus which requires highly qualified personnel and sophisticated production machinery. Currently makes high pressure steam boilers, centrifugal machines for concrete pipes and poles, parts for nuclear reactors and continuous rendering systems. Established 1860, employs 370, plus 8 traveling salesmen. Also interested in cross licensing arrangement. Gerhard Voegtle, Rolf Steinberg, Managers, WEHRLE-WERK Aktiengesellschaft, Postfach 11 10, D-7830 Emmendingen. Telephone: 7641/8018; telex: 7722/421; cable: WEHRLEWERKEMMENDINGEN. WTDR. Copies of product literature available from Overseas Products & Investment Opportunities Staff, Office of Export Development, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78737.

3400—UNITED KINGDOM—Manufacturer of **small metal pressings and metal fabrications,** seeks licensing arrangement to produce similar products. Employs 42. R. Doughty, Mng. Dir., R. Doughty & Sons Co., Ltd., Stewart St., Wolverhampton, England. P-78743.

3400—UNITED KINGDOM—Manufacturer of **engineering products** desires licensing arrangement for similar items. Established 1943; employs 26. Autoy Ltd., 152 Castleton Rd., Preston, PR1 6QH, Att: J. A. Hart, Director. P-78697.

3433—FRANCE—Seeks to manufacture under license **solar panels for water heaters and heat pumps for commercial heating.** Company currently makes electrical heating equipment and water heaters. Employs 548. Has annual sales of $17 million. Claude Dieudonne, Lemercier Cegelem, BP 22, 93301 Aubervilliers Cedex; telex 210 727 F; telephone: 834-9101. P-78698.

Important Notice

Most member countries of the League of Arab States employ a secondary boycott against foreign firms which undertake certain specific types of business relationships with the State of Israel. The Commerce Department will not disseminate nor make available for inspection any tenders or trade opportunity documents which contain conditions intended to support such boycotts, or which are based on documents known to contain such provisions. Trade or investment opportunities published herein are not presently known to be subject to such conditions. However, it is possible that U.S. firms responding to opportunities from Arab countries may be asked at some stage of a transaction to participate in an Arab boycott-related restrictive trade practice as defined in the Department's Export Administration Regulations (15 CFR, Part 369 et. seq.).

Firms are reminded that it is the policy of the United States (a) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any United States person, and (b) to encourage and, in specified cases, to require United States persons engaged in the export of articles, materials, supplies or information to refuse to take actions, including furnishing information or entering into or implementing agreements, which have the effect of furthering or supporting such restrictive trade practices or boycotts. Violators of U.S. anti-boycott law are subject to severe penalties including fine, imprisonment and revocation of export license privileges.

Firms are further reminded that U.S. concerns receiving requests to participate in a restrictive trade practice or boycott must report such request to the Department of Commerce in accordance with Section 369.6 of the above-cited regulations.

3443—UNITED KINGDOM—Large firm, manufacturer of **pressure vessels, heavy fabrications, etc.,** interested in licensing agreement to produce compatible products. Employs 1,317. Reports annual sales of $24 million. J. C. Murray, Mng. Dir., George Clark & N.E.M., Ltd., P.O. Box 8, Wallsend, Tyne & Wear, NE28 6QH, England. P-78746.

3471—UNITED KINGDOM—Firm which operates as manufacturer and distributor of process for **ceramic, tungsten carbide coating of rollers for steel strip, aluminum, plastics and paper** seeks licenses to make any item compatible with product line. Employs 50, founded 1935. S. C. Heywood, Dir., Dilworth & Morris Ltd., St. George's Road, New Mills, Stockport, Cheshire, SK12 4JU, England. P-78736.

3500—UNITED KINGDOM—Manufacturer of **fuel metering valves and pumps** for gas turbine engines over 3,000 h.p. and process control equipment, desires licensing agreements for production of items similar to present range. Established 1920; employs 400. Ultra Electronic Controls Ltd., 136 Mansfield Road, Acton, London W.3. ORT. Att: Mr. D. L. Hobson, Marketing Manager. P-78700.

3500—UNITED KINGDOM—Large firm, employing 1,500 and operating as manufacturer of high technology, precision engineering work, e.g., **mechanical handling systems, nuclear handling equipment, under-sea pipe line handling vehicles/equipment, etc.,** seeks licensing agreement to produce any product compatible with own range. E. J. Blackwood, Commercial Manager, Nuclear, Fairey Engineering Ltd., Crossley Road, Post Office Box 41, Heaton Chapel, Stockport, Cheshire, England. P-78701.

3500—UNITED KINGDOM—Licenses to make allied products sought by manufacturer of **weights, filling and container handling equipment for food, confectionary and pharmaceutical industries.** Employs 180, has annual sales of $4 million. M. Johnson, Mng. Dir., Autopack Ltd., P.O. Box 2, Malvern, Worcestershire, England. P-78805.

3511 — NEW ZEALAND — Medium-sized engineering firm interested in licensing arrangement to produce **hydro-electric water turbines and power generators.** Acts as manufacturer, distributor and exporter of metal-cutting machine tools, automotive parts and accessories, etc. Has recently installed new equipment for heavy engineering and precision work. E. W. Mace, Gen. Mgr., Mace Engineering Ltd., P.O. Box 4063, 183 Durham St., Christchurch; cable: MACEPARTS; telex: 4564. P-78739.

3531—UNITED KINGDOM—Small manufacturer of **tar/bitumen distributors with heating burners and road spraying equipment** seeks licensing agreement to produce similar products. Also manufactures vacuum tankers, fuel oil tankers and water tankers, etc. Current annual sales volume $3 million. S. C. Harrison, Dir., Buckingham Vehicles Ltd., Priory Road, Kenilworth, Warwickshire, England. P-78704.

3532—UNITED KINGDOM—Licenses to manufacture additional products sought by firm specializing in production of low volume equipment in **materials handling, transport and mining field.** Employs 800, reports annual sales $16 million. Peter Alcock, Mng. Dir., Hunslet (Holdings) Ltd., Hunslet Engine Works, Leeds, LS10 1BT, England. P-78705.

3535—FRANCE—Seeks licenses to produce **conveyors and conveying systems for**

Licensing and investment proposals from foreign firms are listed in these columns. Specific product interests in each proposal are highlighted in bold type to facilitate identification and each proposal is preceded by the appropriate four-digit product number taken from the Standard Industrial Classification (SIC) Manual.

Background information on opportunities abroad and assistance on overseas investments are available from the Overseas Products and Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230, 202-377-4065. "P" numbers should be used when responding to any of the specific proposals listed.

WTDR indicates that a World Traders Data Report containing financial and background information on the foreign firm is available for $15 from the Export Information Division, Room 1033, U.S. Department of Commerce, Washington, D.C. 20230. WTDR request forms may be obtained from any Commerce District Office.

OPIC indicates that the country involved is eligible for investment insurance coverage and financing from the Overseas Private Investment Corporation. Information regarding applicable coverage may be obtained from OPIC, Washington, D.C. 20527.

continuous handling. Currently manufactures degreasing and cleaning machines, painting machines, chain and trolley conveyors and ovens and furnaces for metal surface treatment. Employs 80, annual sales $6 million. Good reputation. Marcel C. Boss, Gen. Mgr., Mabor S.A., 17 Quai Clemenceau, 78380 Bougival, France; telex: CIVERSA 690 958F; telephone: 918-9292. P-78707.

3535, 3494—UNITED KINGDOM—Small manufacturer, established 1946, seeks licensing rights to produce products compatible with present line. Manufactures **hydraulically-operated equipment in mechanical handling, construction equipment, packaging machines valves, etc.** R. K. Parsons, Gen. Mgr., Canterbury Precision Engineers Ltd., Brett House, Wincheap, Canterbury, Kent, England. P-78708.

3537, 3551—UNITED KINGDOM—Medium-size company, manufacturer of **filling and handling equipment, cask washing equipment, commercial stairlifts, etc.** seeks to manufacture under license products compatible with current range. Specializes in manufacturing equipment utilized by food industry. W. G. Frost, Sales Dir., Gimson & Co. Ltd., Vulcan Road, Leicester LE5 3EA, England. P-78709.

3541—UNITED KINGDOM—Licenses to make additional allied products sought by small producer of specialized product **machine tools.** Employs 220, has annual sales of $10 million. Currently represents several American concerns. R. A. Butcher, Mng. Dir., Gaston E. Marbaix Ltd., Marbaix House, Bessemer Road, Basingstoke, Hants, England. P-78710.

3550—UNITED KINGDOM—Distributor of **packing, labelling and cartoning machines, air cleaners** seeks to produce allied equipment. Employs 170. Annual sales around $3 million. G. B. Harley, Mng. Dir., Gravfil Machines Ltd., 19-21 Chapel Road, London SE27 OTU, England. P-78811.

3552 — GERMANY — Interested in joint ventures, other types of cooperative arrangements with U.S. manufacturers of **textile machinery.** Produces series of machines for weaving industry, including warp tying machines, tying creels for preparing warp threads. Also manufactures automatic machines for making hanging and tie-on labels. Prospective U.S. partner should be able to complement this product line to include precision machinery for weaving mills. Established 1949, employs 50 and exports throughout world. Direktor E. Schmidt, EXACTA-Maschinenbau Schmidt & Hettler KG, In Buehlen, D-7410 Reutlingen; telephone: 7121/262314; telex: 729 635. P-78711.

3559—INDIA—Seeks licenses, technology to expand operation in field of **effluent treatment.** Recently established division for treatment of domestic and industrial waste water. Interested in obtaining equipment and systems for effluent treatment in such industries as textiles, paper chemicals, steel mills, cement and refineries. Also interested in advanced technology for **ion exchange treatment.** Another area of interest indicated by ion exchange is production of polyelectrolytes. Currently engaged in manufacture of ion exchange resins and in supply and erection of water treatment plants. Also designs and manufactures chemical feed pumps, pressure sand filters, exchange softners and degassers. Has active research and development program. G. S. Ranganathan, Mng. Dir., Ion Exchange (India) Ltd., Tiecicon House, Dr. E. Moses Road, Bombay 400 011; telex: 011-2187; cable: IONEXCOY. P-78794. OPIC.

3569—UNITED KINGDOM—Large worldwide manufacturer of **packaging equipment using paper, cardboard, plastics, etc.,** seeks licensing agreement to produce similar equipment. Employs 17,000, reports annual sales of $600 million. E. K. Townshend, Manager Group Development, Mardon Packaging International Ltd., Clifton Down, Bristol, BS8 3HJ, England. P-78714.

3569—UNITED KINGDOM—Manufacturer of **air filtration equipment, exhaust silencers, telex covers, ceiling tiles, paint sprayers, etc.** seeks licensing agreement to produce products compatible with current range. C. B. Cotton, Chairman, Burgess Products Ltd., Brookfield Road, Hinckley, Leicester, England. P-78747.

3569—UNITED KINGDOM—Small manufacturer of **packaging machinery** seeks license to make any compatible products. Employs 45, annual sales about $1.2 million. L. C. Sawdy, Mayflower Packaging Ltd., Meteor Close, Norwich Airport, Norwich, Norfolk, England. P-78771.

3579—UNITED KINGDOM—Manufacturer and distributor of **packaging and mail room machinery** seeks licenses to make related products. Employs 40, has $2 million in sales. Represents several U.S. firms. R. J. Tedcastle, Mng. Dir., Better Package (UK) Ltd., Powder Mill Lane, Dartford, Kent, England. P-78715.

3585—UNITED KINGDOM—Manufacturer of metal fabrications, heating, air-conditioning, oil equipment and heavy fabrications seeks to manufacture under license **sheet metal fabrications, ventilation ducting, wire products and tanks for oil industry.** Employs 150. Galloway (Mechanical Services) Ltd., 342/346 Strathmore Ave., Dundee DD3 6RX, Scotland. P-78716.

3586, 3561—GERMANY—Firm desires exchange of technical know-how for manufacture of **gas distribution equipment, complete gas distribution stations and gas pressure regulators.** Established 1931; employs 250. Sales area includes most of Europe. Dr. Ing. Guenther Weidner, Regel & Messtechnik GmbH, Osterholzstrasse 45, D-3500 Kassel-B., Germany. P-78752.

3643, 3612, 3561—SAUDI ARABIA—Interested in obtaining joint venture for **wiring devices for general building construction** (potential first year market $1 million); **electrical fittings, conduits, switches, junction boxes; submersible pumps for sewage systems** (estimated value $2 million); and **transformers** for residential and industrial current distribution (valued at $1.5 million per year). K. H. F. Punthiakey, Consultant, Ali & Fahd Shobokshi Group, P.O. Box 5470, Jidda, Saudi Arabia; telex: 401008 GAC SJ; telephone: 58208, 58209. P-78732. OPIC.

3662 — SOUTH AFRICA — Seeks agency and licensing agreements for **electronic alarm systems and other security products,** primarily for commercial and industrial use. Interested in radar surveillance units, security fencing, related systems. M. Smithyman, Dir., United Electronics Corp., Ltd., P.O. Box 1923, Durban, South Africa. Telephone: 35-5331. P-78756.

3674—UNITED KINGDOM—Small manufacturer and distributor of **power semiconductor devices** seeks license to make related products. Presently represents two American firms. Employs 11. D. K. Cunningham, S.S.C. Semiconductor Ltd., Short St., High Wycombe, Bucks, England. P-78761.

3700—UNITED KINGDOM—Manufacturer of products related to **container and transport industry or security industry** seeks licenses to make any products related to these fields. Has 34 employees. Annual sales $4 million. E. L. Barker, Mng. Dir., J. N. Blair Ltd., Riverside, Market Harborough, Leicester LE16 7PT, England. P-78719.

3811—UNITED KINGDOM—Seeks licensing arrangements for production of items similar to present range. Presently manufactures **laboratory instrumentation and all laboratory consumables.** Established 1881; employs 900. T. D. Stevenson, Marketing Manager, Baird & Tatlock Ltd., P.O. Box 1, Romford, Essex, RM1 1MA, England. P-78720.

3823—UNITED KINGDOM—Small firm seeks licensing arrangements for products compatible with current range. Operates as manufacturer, sales agent and consultant in **field of high technology temperature control systems and components; numerical machine tool control; encoders (incremental and absolute); pollution control and measuring instruments.** R. W. Upton, Director, Felmount Ltd., Davidson House, Upper St. John Street, Lichfield, Staffs, U.K. P-78689.

3823 — UNITED KINGDOM — Seeks to manufacture under license **powder or particulate bulk material instrumentation, control or handling devices; and electrical, pneumatic and mechanical devices used in the process industry, specifically in the field of powder technology.** Currently produces and markets bulk materials handling and pneumatic handling equipment. Employs 100. R. C. Cosgrove, Chief Engineer, Mucon Division of B.S.S. Ltd., Winchester Road, Basingstoke, Hants, England. P-78721.

3823—UNITED KINGDOM—Firm interested in obtaining licensing agreements for production of items compatible with

own range. Presently manufactures **electro-mechanical and electronic timers, electronic counters, temperature controllers and indicator lamps.** Established 1932; employs 500. V. J. Sivyer, Mng. Dir., Cosmocord Ltd., Eleanor Cross Road, Waltham Cross, Herts EN8 7NX, England. P-78722.

3841 — FRANCE — Desires licensing arrangement for manufacture of **patient support systems and handling devices** in France. Presently manufactures air fluidized beds for treatment of bed sores and burns (clinitron) as well as other patient support systems (clinimat and cliniplots). These support systems are sold in France and worldwide. Would like to produce items which complement its line of production for prevention and treatment of bed sores, for treatment of burns, patient handling devices and aids to nursing. M. Olivier Degremont, President, S.S.I. (Support Systems International), 111 bis Route de Toulouse, 34000 Montpellier, France. WTDR. P-78751.

3861 — UNITED KINGDOM — Desires licensing agreement for production of **16mm film recording/re-recording/dubbing professional equipment; also 16, 35 and Super 8 picture film editing machines.** Manufacturer and agent for professional cameras, projectors and sound equipment. Established 1890; employs 95. Evershed Power Optics Bridge Wharf, Bridge Road Chertsey, Surrey KT16 8LJ (R. E. Meier, General Sales Manager). P-78725.

6311, 6331 — NIGERIA — Goodwin-Collins Onyeledo, legal advisor to Ashami Group, seeks U.S. joint venture partner interested in **forming insurance company,** including life, fire, automobile, etc. Initial paid-up share capital will be $1.3 million. Under terms of Nigerian law, U.S. investor can hold no more than 40 percent equity share. Management contract also would be considered. Goodwin-Collins Onyeledo, E. O. Ashamu & Sons (Holdings) Ltd., Oke-AF/Isolo Road, P.O. Box 377, Mushin, Lagos. P-78726. OPIC.

7011—KOREA—Family enterprise seeks contact with **internationally known U.S. hotel/resort development and management company.** Collaboration desired for international resort hotel to be located on Cheju Island. Cheju Island has been selected as major international tourist area. Company has three sites and has no previous experience in hotel business. Kim Chang-Tuk, Exec. Dir., Sae Yang Industrial Co., Ltd., Room 307 Won Chang Bldg., 25 Mookyo-Dong, Chung-ku, Seoul, R.O.K.; telephone: 777-1589. P-78727. OPIC.

7392, 8911—ECUADOR—Firm wants to represent U.S. **consulting engineering firm and firm experienced in doing feasibility studies for airport construction.** Currently controls several local firms, including vehicle assembly company, company which imports automotive and industrial equipment, and petroleum refining company. Overseas Products & Investment Opportunities Staff, Office of Export Development, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78729. OPIC.

7538 — EGYPT — Local trading establishment seeks joint venture partner to establish complete **automobile service station** in Port Said Free Zone area. Will be complete unit for maintenance, spare parts, electronic checkups, lubricating, etc. American partner should supply equipment, technicians, and initial working capital, and local partner will provide land. Mostafa Fahmy Mirdan, P.O. Box 177, Port Said, Egypt; telephone: 4806; telex: 64260 FHDN UN. P-78742. OPIC.

List Available Of Saudi Firms Requesting Venturers

The Saudi Arabian Ministry of Industry & Electricity has issued a list of Saudi companies which have requested licenses for various manufacturing or farming operations in Saudi Arabia and which have received grace periods during which time the applicants must present detailed project proposals. This list may be useful to U.S. firms seeking licensing or joint venture agreements with Saudi firms, or to exporters of industrial equipment.

Copies of this list (of poor reproduction quality) may be obtained by writing Overseas Products & Investment Opportunities Staff, Office of Export Development, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. Copies may also be obtained by contacting the Saudi Arabian Government Industrial Studies and Development Center, P.O. Box 1267, Riyadh; telex: 201152 DEVIND SJ. P-78835. OPIC.

Queensland, Australia, Now Welcoming U.S. Investors

U.S. companies contemplating investment in Australia may wish to investigate the potential for locating in the State of Queensland. As part of its program to attract additional investment the Department of Commercial and Industrial Development has recently prepared the publication "Investment Queensland." This 46-page booklet describes Queensland's natural resources, diversified and growing industries and special incentives offered investors.

A large state of about 667,000 square miles, Queensland is well known for the mining and processing of minerals, sugar refining and the manufacture of motor vehicles and related equipment. The state has a mild climate and good communication and transportation facilities. To obtain additional information on investment in Queensland, interested firms should write: Department of Commercial & Industrial Development, M.I.M. Building, 160 Ann Street, Brisbane, Queensland, 4000, Australia. P-78822.

Direct Sales

The following trade opportunities are based on reports received from the U.S. Foreign Service—Department of State by the Trade Opportunities Program, Room 2323, U.S. Department of Commerce, Washington, D.C. 20230. The commodities in which foreign firms have interest indicated by codes 0111-1799 and 4011-8999 are based on the Standard Industrial Classification Manual, 1972; codes 20 through 39 come from Numerical List of Manufactured Products (New 1972 SIC Basis), MC72-1, 2. Codes beginning with 99 are from the TOP coding system.

U.S. firms should be aware that the listing in Commerce America *of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the Department of Commerce pursuant to the Department's Export Administration Regulations. Applicable export licensing regulations must be followed.*

Every effort is made to include only traders with good reputations. However, the Department cannot be responsible for any trade relations.

WTDR indicates that a World Traders Data Report on this specific firm is available at $15 from the Export Information Division, Room 1033, U.S. Department of Commerce, Washington, D.C. 20230. A WTDR is a trade profile which contains commercial information including financial references, on an individual foreign firm. Orders must include complete name and address of the subject firm and be accompanied by payment. Further information concerning WTDRs and request forms are available at each Commerce District Office.

Drugs

2831500-4900—TANZANIA — Supply of veterinary medicine & drugs. Interested bidders should carefully study conditions before bidding. Copy of tender docs. & list of items & quantities available from Dept. Commerce, TOP, Rm. 2321, Wash., D.C. 20230, tel. 202-377-2251. Write to—Secretary, Central Tender Board, P.O. Box 49, Dar es Salaam. Refer to bid no. 38 of 1978. Bid deadline Oct. 13.

Leather goods

3199098 — GERMANY — Wash/chamois leather for car & window polishing, size approx. 55 x 65 cm., in lots of 15,000/mo. (annual order about 180,000). Offers from mfrs. only, must be sampled. Importer & agent selling to mfrs. Employs 3, estab. 1976. Financial ref. Kreissparkasse, Koeln. Reply by fastest means to—G. Macke, Droga GmbH, Probsteigasse 1, 5000 Koeln 1. Tel. 0221/131315.

Nonferrous metals

3355100—SYRIA—Supply dry aluminum cables m.t. with complete boxes per tender book of spec. & conditions. Bid bond s.p. 2,200,000, performance bond, 10% contract price, delivery within 1 yr. Delay penalty 1 per thousand daily. Mode of payment not defined. Tender book obtainable for 1,000 sp. p (US$1=$3.90 sp.) from Finance Dept., (Foreign Contracts Div.) Gen. Establishment of Electricity, Sultan Salim St., Damascus. Refer to bid no. 6581. Bid deadline Nov. 4.

3357400—EGYPT—Supply aerial telephone cables & cable joints, made of copper. Tender docs. available for US$250 from Chief, Purchasing & Stores Dept., Egyptian Telecommunications Organization, Opera Exchange Bldg., Opera Sq., Cairo, Egypt. Refer to tender no. 7/78/19. Bid deadline Oct. 16.

3357468, 3661291 — COLOMBIA — Aerial cables, multiple; protector stations & main distrib. frames. Specs. available at address below for 20,000 pesos or $520 1st copy & 3,000 pesos or $78 ea. additl. copy. These amounts not refundable. Financed with loan no. 493/SF-CO from Inter-American

Dev. Bank. Therefore this tender limited to services & goods which originate in countries eligible for Inter-American Dev. Bank bidding. Proposals from all foreign firms must be presented through local rep. registered with Telecom. Refer to Lic. Pub. Internacional Bid 05/78. Obtain specs. from —Div. de Suministros, Empresa Nacional de Telecomunicaeiones—Telecom, Calle 23 No. 13-49, Piso 7, Bogota. Bid deadline Oct. 26.

Fabricated structural metal products

3441211—VENEZUELA—Minister Transport assigned Gen. Suarez with obtaining immediately 14 portable bridges (super baily type or equivalent) total linear distance 427 m.; span, 30.50 m.; roadway width, 3.27 m.; overall width 5.486 m., needed at crucial crossings on Venezuela's highways. Govt. wishes quotations based on delivery Miami (govt. will transport Miami/Caracas). Suggest U.S. suppliers quote what equip. readily available by phone, telex to Gen. (R) Edgard Suarez, Dir. Gen., Air Transport & Traffic, Min. Transport & Communications, Caracas. Tel. 82-16-66; telex 22751 CIVILAIR.

Construction machinery

3535162—YUGOSLAVIA—2 combined coal loading-unloading devices for thermoelectric power plant at Te Ugljevik (1 x 300 mv). Specs.—brown coal 0-30 mm.; 0.72 tons per cu. m.; angle of natural slope 30 degrees; stickiness considerable; humidity 36%; unloading cap. 800/1,200 tons/hr.; loading cap. 600/900 tons hr.; length boom 35 m.; height coal pile 10 m.; device travel path 300 m. Bid should incl. also supervision over assembly & trial run. Submit detailed tech. characteristics, list spare parts for 2-yr. maintenance, list references for last 5 yrs. Quote separately mechanical parts, electrical parts, supervision over assembly, & trial run. For complete tech. & commercial details write to Energokomerc, Oour Izvozuvoz, JNA 20, 71000 Sarajevo, telex no. 11181; tel. 071-627-522. Supplier's credit expected. Submit bids to —Te Ugljevik U Osnivanju, Elektroprivreda Bih, Pp 375, 71001 Sarajevo. Refer to SL-45/78. Bid deadline Oct. 11.

Metalworking machinery

3541000 — YUGOSLAVIA — Yugoslavia mfr. internal combustion engines, DMB of Belgrade, looking for approx. 15 types metal cutting machine tools, incl. lathes, milling machines, borers & expanders, groove cutters, grinders, gear shaving equip., honers-camshaft equilizers, crankshaft radius rollers, sharpening tools, welders & EDM beveling machines. Details available from—Invest-Import, Terazije 5, 11000 Beograd. Telex no. 11382 or 11105. Refer to 321/82. Bid deadline Nov. 10.

Special industrial machinery

3551339-83 — SINGAPORE — Singapore Dept. Trade wishes purchase rice measuring meter to measure length of grain & number of head, rice separation trays ('honeycomb' separator, or equal) for separation of broken from wholegrain rice. Submit catalogs & quotations to—K. P. Wong, Second Secretary, Embassy of Singapore, 1824 R St., N.W., Wash., D.C. 20009. Tel. 202-667-7555. Reply ASAP.

3555218-69, 3582033-21-27 — IVORY COAST—Ministry of Public Works, Transport, Construction & Urbanism called for two separate bids for equip. at Natl. High School of Public Works at Yamoussoukro: (1) supply graphic arts equipment (commercial press and photo engraving equipment for photo engraving lab); and (2) supply laundry and dry cleaning equip. (sorting and press equip., specialized furniture & corresponding technical installations). Bids financed by BSIE (Ivorian Debt Servicing Agency). Before submitting bids on either project, bidders should contact Sietrans, P. O. Box 20026, Abidjan (tel. 32-76-78, telex 3539) for info. about transport and transit. Bid documents available for either project for 25,000 cfa francs ($100) from—Monsieur la Directeur, Ecole Nationale Superieure des Travaux Publics, P.O. Box V 148, Abidjan. Refer to bid no. 1113. Bid deadline Oct. 26.

Electric transmission, distrib. equip.

3612200—SYRIA — Supply power transformers. Bid bond S.P. 900,000 & performance bond 10% contract price. Delivery within 10 months. Delay penalty 1 per 1000 daily. Mode of payment not defined. Conditions, tender book obtainable for 500 Syrian pounds (US$1=3.90 SP) from Finance Affairs Dept., (Foreign Contract Div.), General Establishment Electricity, Sultan Salim St., Damascus. Refer to bid no. 6579. Bid deadline Oct. 28.

3612200 — THAILAND — 3 power transformers—copper winding, voltage 69/24-12 kv with load tap changing equip. incl. oil cable compound, lightning arresters & hot spot winding temperature thermometer (image coil system) for 1 phase only, rating to be 30/40 mva oa/fa, primary voltage 67 kv delta connection with load tap changing equip. for 10% above & 15% below 67 kv secondary brought out to be 24,000/13,860 v. when connected in series & 12,000y/6,930 v. when connected in parallel, ea. transformer to be furnished with 1 remote control desk for load tap changing equip. for indoor installation, equipped with position indicator with drag hands, automatic manual selector switch raise & lower switch. Spare parts to be incl. Financed by loan from Asian Dev. Bank. Tender docs. for sale for $9 per set from Purchases & Stores Dept., Metropolitan Electricity Auth. (MEA), 121 Chakpetch St., Bangkok, Thailand. Refer to bid no. ABD-MEA-405. Bid deadline Oct. 31.

Communications equipment

3662100, 3441371—COLOMBIA — Radio links of 60, 120, 300 & 960 telephone circuits; telephone carrier system, 12 channels by physical line, & PCM system by areal cable. Complete radio links, incl. repeaters; metallic transmission towers (national supply). Specs. available address below for 40,000 pesos or $1,040 1st copy & 4,000 pesos or $104 ea. additl. copy & must be obtained prior to submitting offers. These amounts not refundable. Financed with loan 493/SF-CO from Inter-American Dev. Bank; therefore tender is limited to services & goods which originate in countries eligible for Inter-American Dev. Bank bidding. Proposals from all foreign companies must be presented through local rep. registered with Telecom. Refer to Lic. Pub. Internacional no. TR-03/78. Obtain specs. from—Div. de Suministros, Empresa Nacional de Telecomunicaciones —Telecom, Calle 2 No. 13-49, Piso 7, Bogota.

3662230—AUSTRIA—Supply & mounting antenna system for shortwave radio station; loading cap. 500 kw, frequency range 6 to 21 mega-cycles, variable direction of beam. Austrian Broadcast Corp., publicly-owned non-profit organization, financed from ordinary budget. Only those bids will be accepted which are submitted in specially-marked & sealed bid-envelopes. Bid must incl. references to similar antenna systems constructed by bidding company & details on measuring equip. which will be used for alignment & check of antenna system. Language corres. German. According to ORF official, docs. will specify that winner will be required to subcontract portion locally, however, extent was not specified. U.S. Embassy at Vienna will, to extent possible, obtain bid docs. & forward to bidders who are not represented locally. Refer to—Oesterreichischer Rundfunk/Zentraleinkauf, bid for short wave antenna system. Contact: Zentraler Einkauf, Oesterreichischer Rundfunk, (Austrian Broadcasting Corp.) Wuerzburggasse 30 A-1136 Wien. Bid deadline Nov. 30.

Electronic components, accessories

3679096—HONG KONG — Lead zinconate titanate (piezoelectric crystals for ultrasonic converters or transducers). Firm reputable, financial ref. satisfactory. Good sales contact. Tel. 3-642231. Reply to—James W. H. Wong, Pres., Na Co Electronics Supplies Ltd., Kaiser Estate 9/fl., Flat C, 41 Man Yue St., Kowloon. Cable—NANCOKONG, Hong Kong.

Railroad equipment

3742305—ALGERIA—Supply 190 passenger train cars for suburbs, with normal way at 1,435 m. Tender docs. & tech. specs. cost 200 DA ($51.17) & must be obtained either from address below or from Antenne SNTF, 122, Blvd. Haussman, 75008, Paris, France, prior to submitting offers. Offer & all corres. must be in Franch; All specs. metric. Contact: Direction du Materiel, SNTF, 21/23, Blvd. Mohamed V. Algiers. Telex 52851 & 52455. Refer to bid no. XM-MC-2/78. Bid deadline Oct. 22.

Measuring and controlling devices

3824361 — VENEZUELA — Internal Revenue office, Ministry of Finance, requested quotations for automatic toll stations at both ends of Angostura Bridge which spans Orinoco River near Ciudad Bolivar. 4 machines required as this is 4-lane bridge (2 lanes ea. direction). System must process automatically approx. 4,000 vehicles daily which generate between 13,000 & 17,000 bolivares in tolls. Machines must calculate, collect & provide receipts for tolls on basis of 9 weight categories ranging from less than 500 kg. to limit 50,000 kg. (tolls range from 50 centimos to 40 bolivares). Facility must be able to handle certain vehicles exempt from payment & vehicles whose size does not permit use of regular traffic lane. Questions about tech. specs. & requirements should be directed to Ing. Felix Lander Wallace (project mgr.), Div. de Mantenimiento y Control de Peajes, Direccion de la Renta Interna, Edificio Norte, Piso 4, Oficina 409, Centro Simon Bolivar –el Silencio. Caracus. Tel. 41-98-11, ext. 523 or 483-37.05. Submit offers to—Alexis Pereira Lon, Dir. de la Renta Interna, Ministerio de Hacienda, Edificio Norte, Piso 4, Centro Simon Bolivar–el Silencio, Caracas. Telex HER 22805.

3825100 — THAILAND — 45,000 watthour meters—single phase, 2 wire, 220 v., a.c., 50 hz., single element, suitable for metering load supplied from 2-wire 220 v. sec-

ondary mains with 1 main grounded, 5 (15) a. 20,000 watthour meters similar to above item but 15 (45) a. 5,000 watthour meters similar to above item but 30 (100) a. 750 watthour meters similar to above item but 50 (150) a. 45,000 watthour meters similar to above item but 5 (15) a. with provision for padlock seal, at least 2 points at meter cover & 1 point at terminal cover, method & point provision for padlock seal if deviated from that specified to be clarified for approval. 20,000 watthour meters similar to preceding item but 15 (45) a. 5,000 watthour meters similar to preceding item but 30 (100) a. 750 watthour meters similar to preceding item but 50 (150) a. 7,500 watthour meters, 3-phase, 4 wire, 220/380 v. a.c., 50 hz., 3 element meter for metering unbalanced 3-phase load supplied from 240/416 v., 4 wire secondary network, or from 240-416 v., wye-connected transformer bank with neutral point grounded, 15 (45) a. with provisions for padlock seal, at least 2 points at meter cover & 2 points at terminal cover, method & point provision for padlock seal if deviated from that specified to be clarified for approval. Financed by loan from Asian Dev. Bank. Tender docs. for sale at U.S.$10.50 per set from: Purchases & Stores Dept., Metropolitan Electricity Authority, MEA, 121 Chakpetch St., Bangkok 2. Refer to bid no. ADB-MEA-402. Bid deadline Oct. 27.

Surgical, med., dental instruments

3841000—SYRIA—Supply 1 hemodialyzer. Bid bond 10% tender price by certified check or bank guarantee. Mode of payment not defined. Deadline for catalogs (2 at least) Nov. 22. Syrian Ministry of Defense & all subsidiary departments will deal only with companies having agents registered with ministry. If you do not have a rep., contact nearest Dept. Commerce District Office. Obtain tender book from—Medical Service Administration, Khatib, Adawi St., Damascus. Refer to bid no. 6489. Bid deadline, Dec. 9.

Photographic equipment, supplies

3861579—COLOMBIA — Film for microfilming use in Dievol & Kodak cameras. Estab. 1956 for purpose of distributing microfilming equip. & materials. Operates with capital of 800,000 pesos, total assets 1.5 million pesos (39 pesos=US$1). Reply to—Luis Rey-Garcia, Mgr., Teyfilm, Apartado Aeroe 10607, Avenida Jimenez No. 12-24, Oficina 611, Bogota. Cable—TEYFILM; tel. 234 9308.

3861945—INDIA—400 packets (100 sheets ea.) of industrial X-ray films in 12" x 15" size. Currently buying from U.K. & Belgium. Interested in alternative source. Import of X-ray film now permitted under open general license. Reply to—N. R. Ganguly, Partner, Gammax Services, 201 Bansri Bhavan, Sion East, Bombay 400 022. Tel. 445987.

Communication projects

9912700 — URUGUAY — Administracion Nacional de Telecomunicaciones (Antel), govt. agency, issued intl. call for bids for supply, installation & maintenance for 4-yr. period of standard "B" earth satellite station. Bid docs. must be obtained at cost of N$1,000 (about U.S. $160). from—Antel, Seccion Adquisiciones, 5 Piso, Palacio de la Luz, Paraguay 2431, Montevideo. Bid deadline, Oct. 31.

Natural resource utilization

9915101 — SYRIA — Construction of 3rd water supply canal between Euphrates & Aleppo. Bid & final bonds are $750,000 or S.P. 3,000,000 & 5% contract price by bank guarantee through Central Bank of Syria. Project partially financed by IBRD, whose country member contractors or those from Switzerland may participate in tender. Contractor will be subject to no local taxes or duties relating to contract. Damascus-based firm interested in representing U.S. companies in subject project—Engineering Materials & Equip. (EMECO), P.O. Box 4867, Victoria St., Mardam Bey Bldg., Damascus, Syria. Submit bids to—Public Establishment of Aleppo Water, Aleppo, Syria. Refer to bid no. 6870. Bid deadline Nov. 11.

9915102—PAKISTAN — Water & Power Dev. Authority of Pakistan wishes prequalify construction firms interested in tendering for construction tunnel 4 outlet works of Tarbela Dam Project that is expected to be performed during 1979, 1980 & 1981. Funds for works administered by Intl. Bank for Reconstruction & Dev. Work incl.—conversion existing concrete stilling basin 4 to flip-bucket-type outlet (conventional concrete, 160,000 cu. yds., & fibrous concrete, 4,000 cu. yds.). Construction bridge cut-off concrete walls or concrete cut-off walls in open cut (40,000 cu. yds.), incl. post-tensioning cable anchors. Construction concrete transverse wall & connecting wall (20,000 cu. yds.). Construction earth cofferdams downstream of existing stilling basins 3 & 4. Extension existing cellular cofferdam to connect with proposed transverse wall. Contractors interested in tendering for work should request prequal. docs. at once (because tender docs. expected to be available in Nov., 1978) by writing to Tippetts-Abbett-McCarthy-Stratton, Attn.—Project Mgr., Tarbela Dam Proj., 345 Park Ave., New York, N.Y. 10022. Reply ASAP.

9915109—NIGERIA—Kaduna State Water Board, state govt. agency, invites tenders for water supply project for municipality. Project being financed by World Bank. Contract concerns supply, erection & commissioning water treatment plant & associated equip. & provision services for training local personnel in operation & maintenance plant provided for phase 1 of treatment works on variable price basis. Proposed scheme is to abstract water from Kaduna River, pump to treatment works & boost to storage at various locations in city. Abstraction, boosting, & all civil & bldg. works to be carried out under other contracts. Plant to have design cap. 150 ml/d in phase 1 with provision for extension to ultimate cap. 300 ml/d. Phase 1 works to be commissioned in 2 stages of 75 ml/d ea. & compulsory program incl. in docs. showing timings & critical interrelationships between 11 contracts. Proposed method treatment specified in docs. Tenderer will be supplied with leading rates for civil works as well as labor, chemicals & power, & will be required to provide, with his tender, drawings giving dimensions civil works & their quantities, cost of which will be checked & taken into account when assessing tenders. Successful tenderer required to operate part 1 of works for period of 1 yr. & whole works for further 3 mo. period. During these periods labor used & consumption chemicals & power will be recorded & compared with guaranteed tender est. Costs will then be calculated for 30 yr. period & discounted back to present day value at 10%/annum. Any variation between guaranteed & actual costs together with significant variation (greater than 10%) between est. & actual basic costs civil works will result in corresponding variation in contract value. Also, as timing is of great importance in overall scheme, penalty/bonus clauses will be implemented as regards production of detailed drawings & commissioning parts 1 & 2 of phase 1 individually. Compulsory site meeting for tenderers will be held on Tues., Oct. 24. Docs. will be available after Sept. 1 at below address or from their engineers, Ward, Ashcroft & Parkman, Cunard Bldg., Liverpool L31ES, England, telex 51-627807, on payment of non-refundable deposit of 200 naira or equivalent. On submitting tenders refundable tender deposit or bond required in sum of 100,000 naira. Contact: Secretary, Kaduna State Water Board Hqs., PMB 2133, Kaduna. Bid deadline Jan. 3.

9915303, 9922199—TUNISIA—Compagnie des Phosphates de Gafsa (CPG), Tunisian govt.-owned Phosphate Mining Co., intends begin exploit in 1983 new open-pit phosphate mine in S. Tunisia "Jellabia-m'Zinda", using dragline, technique new to CPG. New mine total reserves est. 80 million tons phosphate in 2 layers. CPG envisages 2 production levels—2.5 & 3.5 million tons/yr. CPG has entrusted French engineering firm Sofremines with feasibility study to be completed Sept. 30. 6 months later CPG will make final decision on production level. Engineering will consist of 4 phases —preparing tender docs. & specs. for dragline, studying offers & contributing to selection supplying firm; following up on construction dragline, approval plant, shipment, etc.; control over setting dragline up on site by selected subcontracting firm; starting exploitation of mine, particularly —selecting personnel for exploitation, maintenance & supervision dragline (engineer); organizing personnel training (particularly maintenance personnel) & supervising start-up dragline operation (until it reaches full cap.) for 1 yr. or max. 2 yrs. after dragline assembly. Offers should mention, for ea. above phases, no. days or months engineering work, no. hrs./day, total cost, list personnel entrusted with this engineering work with curriculum vitae ea. of them & his aptitude in using French language. Engineering firm should make financing proposal for total cost. Obtain bid docs. from—Monsieur Directeur des Etudes et du Developpement, Compagnie des Phosphates de Gafsa, Metlaoui. Tel. 1 Metlaoui; telex 40801 TN. Bid deadline Dec. 1.

Transportation support systems

9916402-3-4, 9922199 — HONG KONG — Hong Kong Govt. has confirmed top govt. experts planning build new cross-harbor links to meet fast growing traffic needs. Various options under consideration—bridge between Mount Davis, Hong Kong & Shamshuipo Kowloon, which will also connect Stonecutters Island; bridge spanning Lyemun channel between Hong Kong & Kowloon; tunnel between central district Hong Kong & Taikoktsui of Kowloon; expanding present cross-harbor tunnel. Full-scale joint study into Hong Kong's cross-harbor transport needs & which of options govt. should pursue will be disclosed early next yr. (1979). Consultants expected to be called in for study, which should take about year to complete. Contact—Principal Govt. Architect, Public Works Dept., Murray Bldg., 12 fl., Garden Road, Hong Kong.

Physical handling systems

9917301-99 — ARGENTINA — Construction

of plant for receiving, storage, treatment & shipping of wine products from port of Puerto Nuevo (Buenos Aires), with cap. for 8,700 cu. meters. Write to—Secretaria de Estado de Transporte Y Obras Publicas, Direccion Nacional de Construccion, de Elevadores de Granos, 9 de Julio 1925, Buenos Aires. Refer to bid no. 415/78.

Power generation & transmission

9918101—HAITI—4 diesel units, each 60 hz, 900 revolutions/min. & 850 kw. for Electricite d'Haiti power generators. Partly financed by IDA. Bid docs. must be purchased from address below or Electricite d'Haiti, Rue Payee, Port au Prince, for U.S.$40. Correspondence in French. Contact: Sofrelec c/o Sogelerg, Secretariat de M. Saas, Cidex D 902, 25, Rue du Pont des Halles, Shevilly Larue 94536 Rungis Cedex, Paris.

9918201—MALAYSIA—Mfr., supply testing, delivery, erection, commissioning & maintenance for 12 months of transmission lines briefly described below: Line 1—approx. 115 km, 275 kv duplex 400 mm. sq., acsr double-circuit transmission line from Prai to Temengor, incl. construction approx. 40 km of rd. through mountainous jungle. Line 2—approx. 5 km, 132 kv duplex 300 mm. sq. acsr double-circuit transmission line from Prai substation to Prai power station. Line 3—approx. 18 km 132 kv duplex 300 mm. sq. acsr double-circuit transmission line from Pasir Gudang to Majidee. Profile survey required for each line. Towers will be galvanized lattice steel design with two 60 mm. sq. acsr earthwires. Bid docs. available for 53 pounds incl. airmail charges from Messrs. Preece, Cardew & Rider, Paston House, 165-167 Preston Rd., Brighton BN1 6AF, Sussex, England. Refer to contract 4030/1. Bid deadline Nov. 30.

9918203, 3613100—MALAYSIA—Tenders invited only from mfrs. or their accredited agents for supply of 132 kv., 33 kv., & 11 kv. switchgear & ancillary equip. for Alor Star No. 2 Substation & Simpang Ampat Substation. Ea. request for tender docs. must be accompanied by check or bank draft for M$100 payable to Chief Accountant, Natl. Electricity Board. Payment will not be refunded. Additl. M$25 for postage fee should accompany requests for tender docs. from overseas. (U.S.$1 approx. M$2.26). Contact. Senior Purchasing & Contracts Officer, Natl. Electricity Board, 129 Jalan Bangsar, Kuala Lumpur 22-06. Refer to tender no. 15004. Bid deadline Oct. 31.

Engineering services

9922103-99—VENEZUELA—Institute for Urban Sanitation for Caracas Metropolitan Area (IMAU) has been charged with responsibility for installing plant which would process approx. 220 tons/day food wastes from restaurants, hotels, markets so that it could be used for pig feed. Modular system preferred so cap. can be increased rapidly. Impetus for this project comes from concern of Minister Agriculture that failure to process waste food (which now being used in pig feeding) might in some way increase danger African swine fever outbreak in pig population, although possible hazard to human health has also been cited as justification for this urgent project. Cost plant will be financed by Corporacion Venezolana de Fomento (CVF). Ing. Sanchez indicated direct purchase plant preferred because this is most rapid means of putting it into operation. Local rep. of Pan American Health Organization, Eugen Papp, providing tech. asst. Sanchez wants to hear from U.S. companies interested in contracting for design & installation plant, with some arrangement for training Venezuelan personnel to operate it. Contact—Ing. Felix Miguel Sanchez, Pres., Instituto Metropolitano de Aseo Urbano (IMAU), Coche-Final Calle Zea (Detras de Mersifrica), Apartado Postal 20.688, Caracas 104. Tel. 681-33-69; telex 22627 MARNR.

9922199, 9916402-04 — AUSTRALIA — Long-discussed E. Brisbane River crossing appears to have moved closer to fruition. Queensland (Qld) main roads minister, Russ Hinze, announced that tenders will be called soon. Cost est. for bridge range from U.S.$60-$70 million, for tunnel, about U.S.$180 million (all 1978 dollars). 1985 completion date is anticipated. Competition, foreign & domestic, is likely to be brisk & Queensland govt. would probably be most disposed towards joint venture. No. intl. financial institution participation is contemplated. Qld. govt. completing $200,000 design/feasibility study which will be available to potential tenderers for $500 (U.S.$590 approx.). Qld. govt. interested in negotiating with any organization willing to finance & construct entire project. Govt. would be willing to guarantee loans & give builder/financier toll rights with royalty payments to govt. to be negotiated. It is expected that toll right period would be around 30 yrs. & royalty payments 10%. Royalty payments will be used to improve connecting roads. It would be up to tenderer to decide between tunnel or bridge high enough to clear ocean-going ships. Qualified tenderer which offered shortest toll period & highest royalty rate would probably be one selected. Tenders are expected to be let in Oct./Nov. Preregistration is not required, but interested parties can get their names on mailing list by writing: Special Projects Engineer, Main Roads Dept., GPO Box 1412, Brisbane, Queensland, 4001.

Nigerian Commerce Chamber Seeks Fair, Business Contacts

The President of the Kaduna Chamber of Commerce of Nigeria, Alhaji M.B.G. Dogon-Yaro, is visiting the United States this month to discuss the possibilities of American companies participating in the Kaduna Trade Fair Feb. 17-24.

Contact is also desired with U.S. firms interested in establishing manufacturing facilities in Nigeria or in supplying agribusiness related equipment. The Chamber is planning to organize a trade mission to the United States in May 1979 which would include participation by Chambers of Commerce from all 19 Nigerian states. Alhaji Dogon-Yaro will be accompanied during his U.S. visit by Alhaji Isa Tahir, Mng. Dir., Tate and Lyle (Nigeria) Ltd.

The itinerary includes Washington, D.C. Sept. 7-9; New York, Sept. 10-12; Los Angeles, Sept. 13-17; San Francisco, Sept. 18-22 and Las Vegas, Sept. 23-26. In New York, the businessmen will be attending the National Merchandise Show, in Los Angeles the Western Electronic Show and Convention, and in Las Vegas the Petroleum Marketing Equipment Expo. Firms interested in holding discussions with the visitors should contact Mary C. Inoussa, Overseas Products & Investment Opportunities Staff, Office of Export Development, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230; telephone: 202-377-3786 or 377-4065. P-78831. OPIC.

Representations

Foreign private firms are interested in agency agreements and/or distributorships for these products.

Pulp mills, products

2611111-200—WEST GERMANY—Wood pulp (long & short fiber) for papermaking. Quote c.i.f. Hamburg. Estab. 1969, employs 50; annual sales of over DM 100 million. Financial ref.—Deutsche Bank AG in 4300 Essen. Reply by fastest means to—Herr Dr. D. Classen, Classen Papertronics KG, Landsberger Str. 80, 4300 Essen 18, Germany. Tel. 02054/131; telex 08579121.

Industrial chemicals

2813200—HONG KONG—20 metric tons of acetylene black. Well-known trading firm. Reply to—Sam Perry, Mgr., John Cowie & Co. Ltd., GPO Box 410, Hong Kong. Cable COWIE HK; tel. 3-674057; telex 74486 COWIE.

Petroleum refining

2911071—DOMINICAN REPUBLIC—Paraffin wax, fully refined, amp 138-143F, oil content 0.4 percent, in cartons of 55 lbs. each. Agencia Antillana is trade name adopted by H. Barkhausen & Co., S.A. to operate commission agency business that was organized in 1927. Has paid-in capital of $25,000 & claims annual sales volume $10,000,000. Employs 12. Ref.—Thyssen, Inc., 114 Ave. of the Americas, New York, N.Y. 10036. Contact—Joachim Barkhausen, Pres., Agencia Antillana, Jose Reyes No. 57, Apartado No. 739, Santo Domingo, Dominican Rep. Cable Antillana; telex ITT 3460041; tel. 682-3797.

Plastic products

3079810—TRINIDAD AND TOBAGO—Large clear cellophane rolls for food packaging, i.e., cookies. Small but progressive firm of mfr's. reps. specializing in sale of printing machinery, equip. & supplies. Wishes receive c.i.f. Port of Spain price quotations for supply of above. Principals reported experienced in their line of trade & have a good business reputation. Contact—Steeven Ramadhar, Mng. Dir., Sima Industrial Agencies, 7 Extension Rd., El Socorro, San Juan, Trinidad, W.I. Cable Simadus, Port of Spain.

Pottery, related products

3261051—NORWAY—Bathroom accessories. Well-estab. wholesaler to plumbing & ventilating markets in Norway (estab. 1852) with subsidiaries throughout Norway. Wishes expand present product-range with U.S. products. Call or telex—Ms. Anne-Lise Granhaug, Pur. Mgr., Blunck-Christensen A/S, P.O. Box 8 Leirdal, Oslo 10, Norway. Tel. (02) 25 44 10; telex 11982.

Nonferrous metals

3353351—EL SALVADOR — Aluminum foil. Est. annual sales $400,000. Primary business activity of buyer—import/export. Quotation terms—c.i.f. Acajutla. Market area—Central America. Market share for above product—50 percent. Annual sales volume $4.8 million. Companies represented—Bunge S.A. & Sprague & Rhodes. Contact Carlos A. Lesca, Mgr., Lopez

Andreau S.A., 25 Avenida Sur No. 763, Apartado Postal 01-188, San Salvador. Cable LOANCO; tel. 22-7700.

Cutlery, hand tools, gen'l. hardware

3423398—FRANCE—Garden power & hand tools. Medium-size co. specializes in importing & marketing agricultural & garden equip. (pumps, sprayers). Capitalization F 200,000. Staff—30. 15 regional distributors. Marketing network covers France & some European countries. Annual sales F 8 million. Financial ref.—BNP. Reply to—M. Courant, Societe Rhodanienne de Construction Mecanique, 2 Place Aristide Briand, 69560 Ste Colombe, France. Tel. (74) 85.13.33; telex 340379.

Metalworking machinery

3546110—UNITED KINGDOM — Chainsaws. Estab. 1961, has 200 employees & annual sales volume 10 million pounds. Mfrs. & acts as distrib. of garden & estate machinery. Represents Wheel Horse Products Inc., South Bend, Ind., for garden tractors, & Murray, Ohio Mfg. Co., Brentwood, Tenn., for ride-on mowers. WTDR 11/77. Ref.—Lloyds Bank Ltd., 45 High St., Maidenhead; & First Wisconsin Natl. Bank of Milwaukee, P.O. Box 532, Milwaukee, Wis. Reply to—Dennis Selby, Mng. Dir., G. D. Mountfield Ltd., Reform Road, Maidenhead, Berkshire, SL6 8DQ, U.K. Tel. 0628-30543; telex 847609.

Special industrial machinery

3559333—ECUADOR — Plastic extrusion machine for mfg. polypropylene sheets. Production desired 80 kg/hr. Production of 600 to 1,500 to be used in circular looms to mfr. bags for rice, cacao, etc. 60 cycle 110/220 volt AC available. Send literature & quote c. & f. Guayaquil. Requestor is aggressive sales agent on commission basis. Reply to—Nelson V. Cervantes, Empresas ABC, Casilla 3953, Guayaquil. Cable OFMANCER; telex 04-3361; tel. 514-341.

Service industry machinery

3581135 — AUSTRALIA — Newly-formed company seeks mechanically operated postage stamp vending machines. Reply to—P. Muller, Mng. Dir., Sentronics Australia Pty. Ltd., P.O. Box 57, Crows Nest, N.S.W. 2065. Telex AA25468; tel. 439-5488.

Household appliances

3635041—ECUADOR — Central vacuum-cleaning system (household). 60 cycle 110/220 volt AC available. Send literature & quote c. & f. Guayaquil. Buyer is hardware shop owner who is expanding to electric goods. Reply to—Ing. Com. Eduardo Varas A, Casilla 4063, Guayaquil. Tel. 382-847.

Communications equipment

3662681 — BELGIUM — Electronic garage door openers. Importer & distrib. of overhead garage doors, claims to sell 10,000 annually in Belgium. Reply to—A. Feryn, Mgr., Firma Feryn P.V.B.A., Mechelsesteenweg 17, 2920 Kapelle Op Den Bos, Belgium. Tel. 015/71 1849; telex 61989.

Measuring & controlling devices

3824361—TAIWAN—Ballot counting machine. Est. value $10,000 ea. unit. Initial purchase is 5 units as trial order. Prefers c.i.f. Keelung price quotation. Estab. 1958, has 50 employees, imported from U.S. products valued over $1 million in 1977. Bank ref.—Farmers Bank of China, Hua Nan Commercial Bank Ltd., & Chang Hwa Commercial Bank Ltd. Is a br. of a large Hong Kong trading firm, & is also a supplier to Taiwan provincial govt. which is interested in exploring possibility of purchasing machines which can count paper ballots in forthcoming provincial election end of 1978. Reply to—Yi-Min Chen, Gen. Mgr., Standard Business Machines Co., Ltd., 20 Kai Feng St., Section 1, Taipei. Cable SBMCL; tel. (02) 311-6341.

3829295-7—WEST GERMANY—Electronic pressure transducers sought for distrib. Quote f.o.b. U.S. port. Estab. 1908, employs 50. Financial ref.: Dresdner Bank AG, 5600 Wuppertal. Reply to Herr B. Erichsen, Gen. Mgr., Erichsen GmbH & Co. KG, AM Iserbach 14, 5870 Hemer 2, Germany. Tel. 0202/83060; telex 8591631.

Surgical, medical instruments

3841085—FRANCE—All types of acupuncture equip. Medium-size co. specializes in mfg. & distributing medical & dental electronic equip. Marketing network throughout France. Staff 95. May be interested in mfg. under license. Reply to—M. Bruno Benoit, Marketing Exec., Sadelec 135 Route Neuve, 69540 Irigny, France. Tel. 51.14.45.

Photo equipment

3861625—GERMANY—Photo paper coils for photo rotation machinery. Preferably 500 m. long & 0.44 m. wide. Major W. Berlin distrib. seeks import of above items in substantial quantities for wholesale trade in W. Berlin. Metric measurements desired. Quote c.i.f. German port, if possible. Reply to—Leonard Goebels, Firma Defot Werkstatetten, Alte Jakobstr. 148-155, D-1000 Berlin 61, Germany. Tel. (030) 251-40-11.

Motion pictures

7813000—NIGERIA—Films, 35mm & over motion pictures. Firm that presently imports & distributes laboratory apparatus wishes to distribute first-run motion pictures. Write—Donatus Idem, Mng. Dir., Ataba & Co. (W.A.) Ltd., P.M.B. 1227, Ikeja, Lagos.

781400—ECUADOR—Spanish TV films & serial productions. Send literature & quote c. & f. Guayaquil. Direct sale & distribution for television programs. Reply to—Luis Burgos V., Mgr., Casilla 536, Guayaquil. Cable DINARESA; tel. 387-786.

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Visiting Buyers & Officials

SWEDEN — Gunnar Wennerstrom and Hans Sagwall of Goteborg will be visiting the U.S. at the end of September and are interested in exclusive agencies for **boating accessories, water sports products and other sporting goods.** They are also interested in quality, specialized **sportswear and leisure wear.** For further information contact Theresa E. Rettig, Foreign Buyer Program, U.S. Department of Commerce, Room 2322, Washington, D.C. 20230, 202-377-3265.

TAIWAN—Romann H. C. Wu of Taipei is seeking U.S. suppliers of **graphic arts equipment and materials,** as well as **zinc ingots, pigments** and other raw materials used for making ink. Contact Theresa Rettig, 202-377-3265.

AUSTRALIA—V. G. Jackson from Sydney is interested in obtaining representation for textile mills that produce **printed cottons and synthetic cloths** for garments. Jackson will arrive in New York Oct. 10 and stay approximately eight days. For additional information contact Jane Puse, Project Officer, Foreign Buyer Program, U.S. Department of Commerce, Room 2322, Washington, D.C. 20230, 202-377-3265.

AUSTRALIA—Nigel Shepherd from Sydney represents firm which currently markets, and is looking for additional products, in the following areas: **offset printers and duplicators, dictation machines, word processing systems and microfilm equipment.** Shepherd will visit U.S. from mid-September through mid-October, and attend National Office Products Association (NOPA) Exhibition, Chicago, Oct. 4-8. Contact Jane Puse, 202-377-3265.

AUSTRALIA—Peter Shelley from Hobart, Tasmania wishes to meet with manufacturers of **fertilizers** used primarily in horticulture, **small agricultural machinery,** and **fruit tree cultivators.** His firm is a supplier of agricultural chemicals, equipment, and related items, with three branches which distribute throughout Eastern Australia and in State of South Australia. Shelley will visit U.S. in November. For additional information contact Jane Puse, 202-377-3265.

UNITED KINGDOM—M. R. F. Ellis is interested in hearing from U.S. manufacturers of following: **medicated products for skin; hair preparations; nail creams** (not polishes); **manicure products; talcum powders and bath products; digestive remedies; preinjection swabs.** He is not interested in cosmetics. He would be interested in manufacturing under license or in bulk importation and packaging in established facilities. Contact Theresa Rettig, U.S. Department of Commerce, Room 2322, Washington, D.C. 20230. Tel.: 202-377-3265.

NORWAY—Aage Nord and Tore Larsen from Oslo wish to locate U.S. suppliers of **multilayer PC boards** and **multiwiring devices,** and learn about new **PC board technology.** Their firm is manufacturer of mini-computers and systems, and major end user of electronic components in Norway. Current annual consumption of PC boards is reported at approximately $1.5 million. Company is experiencing considerable growth and recent contracts include deliveries of computer systems for F-16 aircraft production in U.S. Will arrive in Portland, Maine, on Sept. 23, and willing to travel throughout U.S. Contact Jane Puse, Project Officer, Foreign Buyer Program, Room 2322, U.S. Department of Commerce, Washington, D.C. 20230, 202-377-3265.

SWITZERLAND—Dr. K. Witwer from Erlenbach-Zurich wishes to be a representative in Switzerland for American firms exporting **electronic test and measuring instruments.** He is visiting Los Angeles, San Diego, and San Francisco, Sept. 9-24. Contact Jane Puse, 202-377-3265.

MALAWI—Company in Malawi is interested in purchasing **grading and shelling equipment** to process 30,000 lbs. of chalimbana peanuts (confectionery grade) per year with a splits/broken ratio not higher than 5 percent. While no visit to the U.S. is contemplated, firm officials willing to travel anywhere in Africa to examine equipment. Prior inspection very important to purchasing decision. Contact Theresa E. Rettig, 202-377-3265.

SWITZERLAND — Dan Bergovist from Linkoping is seeking suppliers of **sportswear** such as warm-up suits, T-shirts, sports jackets, etc., for possible agency/distributorship. He arrived in New York City for one week Sept. 9. Firm manufactures, imports and distributes sporting goods, and employs approximately 40. Contact Jane Puse, 202-377-3265.

HONG KONG — Raymond Heoh from Kowloon is interested in new **battery manufacturing equipment/machinery/technology** for alkaline and mica batteries. He arrived in U.S. Sept. 3, to visit San Francisco, Seattle, Denver, New York, Philadelphia, Los Angeles, Chicago, Boston, and Salt Lake City. Jane Puse 202-377-3265.

AUSTRALIA—Raymond Royal from Lane Cove, N.S.W., is interested in locating U.S. manufacturers of self-contained stationary **dust collection equipment,** either for installation in duct work or as free standing units. Equipment should be applicable or adaptable to all forms of industrial dust. Royal wishes to act as representative in Australia, and states that Australia's special requirements for asbestos dust are similar to those in U.S. Australian electrical standards must be met; power is 415 volts, three-phase, 50 hertz, and there are estimated annual sales of over $50,000 quirements which will be discussed. There are estimated annual sales of over $50,000 initially. Contact Jane Puse, 202-377-3265.

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